DAILY DIGEST

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Vol. XVIII, No. 41 Section 1 August 18, 1925.

COFFEE CONSUMPTION

An Associated Press dispatch to-day says: "A marked reduction in consumption of coffee in the United States and a stimulation to its production in all tropical areas were set forth today as the chief effects during the last year of what the Commerce Department termed 'the large artificial increase in price resulting from the Brazilian valorization scheme.' The cost to the American consumer of the increase in price was fixed by the department as $82,300,000. A summary of the situation accompanying the figures omitted mention of attempts in the American coffee trade to organize against the higher prices. ....Brazilian loans have recently been sought in the United States, and the action has been accompanied by frequent reports that American bankers were seeking to obtain some alteration in the valorization plan upon which Brazilian coffee producers have operated. It has also been suggested that the Commerce Department might have influenced the American banking group in this position, but no official confirmation of such reports has been forthcoming. All of the Brazilian valorization operations depend on the maintenance of fixed prices through Government purchase of coffee surplus."

INCOME RESEARCH

An editorial in The New York Times to-day says: "The average person in the United States doubled his income in the twelve years between 1909 and 1921, according to a study by the National Bureau of Economic Research. Even allowing for the increased price of commodities, the purchasing power of his income has materially grown--although much less in proportion. The bureau's findings are a convincing demonstration of America's present economic well-being. The most disquieting feature of past income data compiled by economists was the actual decline in the purchasing power of the American workingman's wages prior to the war. ....Since the war, labor's position in the economic world has materially been bettered, although not in the same ratio as that of capital. The purchasing power of the nation's income, the bureau's figures show, increased 29 per cent between 1909 and 1921 -- in spite of the fact that the last year was one of extreme business depression; while the average wage earner's purchasing power increased about 8 per cent. Economic forces operating in the United States at the present time evidently tend to effect a more general distribution of the fruits of prosperity than they did before the war -- a decidedly more healthy situation. A classification of these factors, could it actually be made, would undoubtedly include restriction of immigration, with its curtailment of the labor supply; the success of labor unions in keeping wages at relatively high levels; greater technical efficiency of production which allows higher wages without proportionately increased prices, and a growing realization among employers that good times depend not only on the rate of dividends but also on the amount of money which the laboring masses have to spend."

Section 2

Farm Efficiency

An editorial in The Banker-Farmer for August, 1925, says: "The farm may properly be likened to a factory. Its success as a business depends upon efficiency, volume of taxable products, and sound management. Farm management studies conducted by the agricultural colleges in the various States show astonishing differences in net returns in the same farming community. In analyzing these results to discover the reasons for the differences, it is found that some farmers by using improved seeds and employing better cultural methods obtain two and three times the yield of crops that others do. There are cows that produce twice as much beef as others and require less feed per pound of beef produced. There are milch cows that produce two, three, and not infrequently five times as much milk as others. The same differences hold true in regard to the production of pork, mutton, wool, poultry, eggs, and other products. These facts show why some of our farms are profitable and others not. No other type of business could have such differences in productive efficiency and still have all the firms stay in business. Nor can farming long withstand these inefficient methods. There are some farmers who need to reorganize their business. This may call for loans from the bank. Before granting such a loan, however, the banker should assure himself that the loan is justified, and that the farmer is a competent manager. If the farmer will keep accounts, or even present his banker with a financial statement, it will be comparatively easy to determine the trend of the farm business. Perhaps there is no greater service that a banker can render to agriculture than to insist on a financial statement from the farmer when an application is made for a loan, and insist on other statements when the note is extended or renewed and, if possible, at interest paying dates. This will not only protect the bank, but will protect the farmer and set him to thinking along lines that will make his farming more efficient."

Rubber Situation

An editorial in the New York Journal of Commerce for August 14, says: "According to the head of one of the principal rubber companies the crisis in the rubber situation is past. He adds, however, that the problem 'is not only big but an intricate one and will require constant interchange of opinion in order to establish a sound policy designed to stabilize the price of crude material.' Probably the most fundamental matter to be taken in hand is that of harmonizing production and consumption upon some recognized basis. The plans suggested in Washington, which apparently contemplate a trade war, with new areas brought under cultivation and a general effort to club the producer into cutting prices, do not go at the matter scientifically. Neither is there much to be said for a Government supervised buying agency which would engage in a duel with the combined producers or sellers. It is to the interest of the producers to establish a regular and profitable market but to have the price sufficiently low to eliminate undue temptation to overproduction. For most consumers it is not worth while to go into the business of raising rubber. The situation calls for a general business adjustment and understanding all around through fair-minded negotiation. The more the Government can be kept out of it the better."

South Dakota Farmers' Dollar

"The buying power of the South Dakota farmers' money, obtained by the sale of farm products during July, was once more equal to its pre-war value. This is the first time since 1919 that one dollar's worth of South Dakota farm products could be exchanged for one dollar's worth of non-agricultural products, according to the department of farm economics at the South Dakota State college. The index number of prices paid locally in South Dakota for farm products in July rose nine points, while the index number of prices paid by farmers for non-agricultural products rose only two points. This nine point rise is exceptional, when the fact, as brought out by the index series, is recognized that the average the last ten years shows no rise at all in the month of July." (Weekly Kansas City Star, Aug. 12.)

Section 3

Department of Agriculture

An editorial in The Southwestern Miller for August 11, says: "Demands upon the Department of Agriculture at Washington for revisions in its crop reporting plans are growing to an extent that is attracting wide notice. Significant developments of the past week included the issuance of statements by the Millers' National Federation futures committee and a member of the New York Cotton Exchange on their ideas of changes that ought to be put into effect. These were preceded by rather sharp criticisms from cotton mill interests against the present methods of reporting cotton prospects, especially the more numerous estimates on production. The Department of Agriculture has already taken formal notice of the complaints, but has announced no plans for changes, indicating instead that its cotton reporting is being done in conformity with legislation enacted by Congress. ....The most pressing demands for changes are being made by members of the cotton industry. Their attitude is interesting to millers because it covers the experiments of the Department of Agriculture in compiling semi-monthly cotton crop reports during the growing season. This the cotton trade finds objectionable. 'Far from being helpful and constructive, the present system is possibly demoralizing in its attempt to do the impossible by promulgating a semi-monthly crop estimate, particularly from the early season condition,' declared Edward E. Bartlett, Jr., former head of the New York Cotton Exchange late last week. 'That this amounts to nothing more than the wildest kind of a guess has been amply demonstrated in the past two seasons. We believe the trade would welcome the elimination of the early season crop estimates and a return to the old system of monthly condition reports, with the elaboration of weekly reports covering weather conditions and progress of the crop.' When the Department of Agriculture inaugurated the semi-monthly crop estimates on cotton, the opinion was expressed that the grain and milling trade would benefit from a similar enlargement of the grain crop reporting service. The statement of the head of the New York Cotton Exchange, which is along lines already voiced by cotton mill operators, raises a serious question as to the success of the semi-monthly estimates and probably will tend to bring about the postponement if not the abandonment of consideration of the feasibility of issuing more grain forecasts. It is not the intention of the millers' committee on wheat futures and should not be the intention of any trade group to blame the crop reporting activities of the Department of Agriculture for the unsatisfactory condition of futures dealings in recent months. With all of the criticism levied against the

crop reporting board of the Department of Agriculture, the statistics of this Federal agency still stand out as the most widely accepted figures. The Federal organization should rank as the highest authority. It should endeavor to develop greater accuracy to remove causes of criticism. Greatest progress will be made by it with grain men, millers and cotton interests cooperating harmoniously to assure the most dependable information."

Section 4

MARKET QUOTATIONS

August 17:

Farm Products

Chicago hog prices closed at $13.95 for the top and $12.10 to $13.60 for the bulk. Medium and good beef steers $7.25 to $14.25; butcher cows and heifers $3.85 to $13.25; feeder steers $6 to $9; light and medium weight veal calves $11.25 to $13.75; fat lambs $13.75 to $15.-25; feeding lambs $14 to $15.50; yearlings $9.50 to $12.50; fat ewes $4.50 to $8.25.

Potatoes declined sharply. New Jersey sacked Irish Cobblers ranged 50¢ to $1 lower at $2.35 to $3.15 per 100 lbs. in eastern markets and $2.45 to $2.50 f.o.b. New York and Massachusetts Yellow onions 25¢ to $1 lower at $2.50 to $3.50 per 100 lb. sack. New Jersey Elberta peaches held fairly steady at $2 to $3 per six basket carrier and bushel basket in New York City. North Carolina and South Carolina Tom Watson watermelons 24-30 lb. average, held steady at $200 to $425 bulk per car in terminal markets. F.o.b. trading in 26-30 lb. Thurmond Grays at $90 to $165 per carload, at Macon, Ga.

Closing prices on 92 score butter: New York 42 3/4¢; Chicago 41¢; Philadelphia 43 1/2¢; Boston 43 1/2¢.

Grain prices quoted August 17: No. 2 red winter Chicago $1.63-1/2¢; St. Louis $1.70 to $1.73; Kansas City $1.68 to $1.70. No. 2 hard winter Chicago $1.58 to $1.60 1/4; St. Louis $1.62 to $1.63¢; Kansas City $1.61 to $1.70. No. 2 mixed corn Chicago $1.05 1/2 to $1.06; Kansas City $1. No. 2 yellow corn Chicago $1.06 to $1.07; St. Louis $1.06 to $1.06 1/2; Kansas City $1.03 1/2. No. 3 yellow corn Chicago $1.05 to $1.05 1/2. No. 3 white corn Chicago $1.04 1/2 to $1.05. No. 3 white oats Chicago 38 3/4 to 41 1/2¢; St. Louis 40¢; No. 2 white oats Kansas City 40 3/4¢.

Average price of Middling spot cotton in 10 designated markets advanced 3 points, closing at 23.39¢ per lb. New York October future contracts advanced 3 points, closing at 23.38¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 17	Aug. 15	Aug. 16, 1924.
20 Industrials	141.56	140.20	104.62
20 R.R. stocks	103.28	101.99	92.10

(Wall St. Jour., Aug. 18.)

DAILY DIGEST

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Vol. XVIII, No. 42 Section 1 August 19, 1925.

LAND BANK MERGER

A New York dispatch to the press to-day states that negotiations have been completed for the absorption of the Columbus Joint Stock Land Bank by the Virginian Joint Stock Land Bank, operating in Ohio and West Virginia. The merger, which is the second for the Virginian in six months, will increase its resources by $5,000,000. The capital stock is being increased from $700,000 to $1,000,000, offering of which will be made early next month. The present dividend rate is 10 per cent and is expected to be maintained.

TREASURY LOAN

"Announcement of a new offering of United States Treasury securities is expected to be made about Sept. 1. The amount and character of the offering are not yet known, but the Federal Reserve Bank of New York has served preliminary notice on member banks that the issue is coming and asks that the banks file promptly any subscriptions for themselves or their customers as soon as the terms are announced. It is expected in Wall Street that the new issue will be dated Sept. 15, on which date a tax instalment falls due." (N. Y. Times, Aug. 19.)

CROP CONDITIONS

A Pierre, S. D. dispatch to the press to-day states that the harvesting of an immense crop of small grain in South Dakota will clear up the liabilities of many farmers of the State and aid in the liquidation of war indebtedness developed by the fact that South Dakota went farther in the way of boom prices than did any other State of the Union during the war-boom days.

A New Orleans dispatch to the press to-day states that crop prospects of Louisiana were never better. The figures tell a story of remarkable prosperity in this section, a prosperity in which the farmers will share as they never shared before. In virtually all the major crops the indicated production this year is considerably heavier than last year, and the price trend is generally upward, except in the case of sugar. But the production of sugar, according to the present crop condition, will be so much heavier than it has been for several years that the planters who handled themselves well from a financial standpoint should be able to make some money. The South's cotton crop during the 1924-25 season was worth $85,000,000 more to that section than its 1923-24 crop, according to the figures of Henry G. Hester, secretary of the New Orleans Cotton Exchange.

BAKING MERGER IN CANADA

"The financial district expects announcement this week of a merger of some of the largest baking companies in Canada, located in Montreal, Toronto, Winnipeg and other cities. Most of the companies involved are privately owned, but the Canada Bread Co. has its stock listed on the Montreal and Toronto exchanges." (The Washington Post, August. 19.)

Section 2

Agricultural Conditions

An editorial in The Price Current-Grain Reporter for Aug. 12 says: "If we are to believe all of the things being told us these days by some of our 'friend-of-the-farmer' speakers, this country is going to the bad as fast as it can and about the only remedy that will avail is to turn the farmer loose in the Federal treasury. For example: 'The farmer's purchasing power is from 30 to 50 per cent less than that of any other group,' or 'agriculture is as nearly bankrupt as any institution well can be,' or 'there are about a million too many farmers and in order to adjust conditions they would have to quit work for about five years.' Unquestionably a lot of farmers are 'hard up,' but so also are a lot of merchants, laborers, mechanics, etc., and that condition is quite liable to continue until the dawn of the millennium. As a class, however, we are confident the farmer resents this continued pitiful tale of his financial condition, and why should he not resent it. Just listen to this: 'Illinois farmers realized 5 per cent on a conservative valuation of all of their farm property and still had an average of $1,163 each left to pay them for their own labor and management in 1924.' Here is another: '$69,000,000 was paid to farmers of Minnesota and the near Northwest during the first six months of this year on cattle they marketed just at the South St. Paul stockyards.' And here is another: 'Bank deposits in Minnesota and North Dakota increased $127,000,000 as one result of the 1924 crop.' We could continue indefinitely with facts of similar import, for they are coming to us in great volume and from practically every farming section of the country. Our readers, however, do not need more evidence, for they know that as a general proposition the farmer has 'come back.' To the man who looks through blue glasses, the whole world is blue and our hope is that a lot of these reformers may throw away their blue glasses, so that they may see what a fine world and what a fine country we are all living in, and so that they may catch a vision of the flood of returning prosperity that has already reached the home of the average American farmer."

Forest Policy

An editorial in The New York Times for August 14 says: "To the question which Arthur N. Pack, an American authority on forestry, puts to himself in the current number of The Farm Journal, 'Can Europe Teach Us Forestry?' his specific answer is that what America can learn from Europe right away is 'patience.' This sounds at first like a paradoxical counsel to learn at once something that in the nature of things requires long years of waiting. ....In France nature's cycle of reproduction takes often a century, sometimes even two centuries. By her lumbermen, who are her foresters, the seedlings are treated with the care of children. With advancing years they are given more room, through selective cutting, until the cycle ends with the coming down of the 'last mother trees.' Then the younger forest begins the new cycle with its seedlings. While, as Mr. Pack makes clear, the system of fixed cycles cannot be applied to our own forests, which contain trees of all ages, it is possible to reach the same result by an adaptation of this patient plan for promoting natural regeneration. In the Black Forest in Germany, where the trees are of varying age as in the American forests, this process is aided with such scientific skill that in one area there is as much timber growing as there was 700 years ago. In Saxony, on the other hand, where nature's cycle has been shortened and

whole areas cleared and thickly replanted, though the immediate yield was increased, the soil has become impoverished, with the consequence that the growth has been diminished and the quality of the wood has fallen off seriously. We must not, however, be patient in beginning this patient policy. If we don't begin at once or soon, all the patience in the world will not give us continuing forests. Protection against fire is, of course, of the first importance. If forest fire could be eliminated, it is said on the highest authority that 'two-thirds of our forest problems would be automatically solved.' But after that only patient assistance of natural regeneration will insure perpetual forests. They must be permitted to renew themselves. We must be quick about it, else the 'baldness' visited upon a certain ancient city, now a ruin upon a treeless plain, will come upon our land. Prompt action in adopting a forest policy and then patience!"

Ocean Freight Rates

An editorial in The Southwestern Miller for Aug. 11 says: "Commenting on the editorial, 'Help from Shipping Board,' in these columns a week ago, a miller writes: 'Every reduction of a cent in the handling cost of our wheat and flour counts just that much in facilitating export business, and we would certainly like to see the ocean freight rates reduced. A reduction to 18 cents in the rate to Holland would unquestionably result in a much larger tonnage for steamship lines than they are getting at present from the current rates on flour.' This statement expresses the views of all millers engaged in the export business. In urging a lowering of the ocean rates, all the exporting millers are prompted alone by their own desires for a maximum trade with Europe under existing conditions. A lowering of the ocean rates would help the export flour business, it is true, but the benefits would not be felt by the exporting millers alone. There is a much wider discount to-day than a year ago on export grades under patents. The domestic buyers of flour must pay relatively more on the basis of wheat prices than at this time last year because the export grades are not moving to the European buyers in healthy volume. A larger export trade would therefore react favorably upon the domestic buyers of flour and upon the producers of wheat even if it meant only freer buying of the export grades alone."

Rubber Exports

"The value of rubber manufactures exported from the United States during the six months ended June 30--$23,857,173--exceeds that for the same period in any year since the peak of 1920. The figure given is an increase of more than 20 per cent over the value of rubber products exported in the first six months of 1924. The increase is chiefly due to a greater volume of exports, but in a measure is also the result of the higher unit value of the various commodities. Whether this increase presages a permanent improvement in the share of American manufacturers in the world trade in rubber products is said by Commerce reports to be problematical. The rise in the price of crude rubber and the resulting increase in the price of rubber products may have influenced foreign dealers toward overstocking, which would be reflected accordingly in a falling off of imports in the latter part of the year. On the other hand, the improvement in world economic conditions and the general price increases in the leading consuming countries no doubt will place American manufacturers in a more favorable competitive position." (N. Y. Times, Aug. 17.)

Section 3
MARKET QUOTATIONS

Farm Products

August 18: Chicago hog prices closed at $13.60 for the top and $11.70 to $13.40 for the bulk; medium and good beef steers $7 to $13.75; butcher cows and heifers $3.75 to $12.75; feeder steers $6 to $9; light and medium weight veal calves $11.25 to $14; fat lambs $13.75 to $15.25; feeding lambs $14 to $15.50; yearlings $9.50 to $12.50; fat ewes $4.50 to $8.25.

New Jersey sacked Irish Cobblers ranged $2.50-$3 per hundred pounds in eastern markets, $2.15-$2.50 f.o.b. Giants sold at $2.50-$2.60 in Baltimore. Georgia and South Carolina Thurmond and Irish Grays 22-30 pound average ranged $225-$375 bulk per car in leading eastern markets. Virginia and Maryland stock brought 25¢-30¢ each in Baltimore. Virginia and Delaware Elbertas, crates and bushel baskets ranged $2.50-$3 in eastern consuming centers. New Jersey Elbertas $2.25-$2.50 in New York. New York Yellow onions ranged $2.40-$3.25 per 100 pound sack in eastern markets, Massachusetts yellows $2.50-$2.75 in New York City, $3-$3.50 other eastern markets. Maryland and Delaware Salmon Tints and Green Meat contaloupes ranged 75¢-$1.50 per standard 45's in leading eastern cities.

Closing prices on 92 score butter: Chicago 41 3/4¢; New York 43¢.

Grain prices quoted Aug. 18: No. 1 dark northern Minneapolis $1.55-$1.70. No. 2 red winter Chicago $1.66 1/2; St. Louis $1.72-$1.74; Kansas City $1.70-$1.71. No. 2 hard winter Chicago $1.60 1/2-$1.63 1/4; St. Louis $1.62-$1.62 1/2; Kansas City $1.62-$1.70. No. 2 mixed corn Chicago $1.05 1/4; Kansas City 99 1/2¢-$1.00. No. 2 yellow corn Chicago $1.05 1/2-$1.06; St. Louis $1.05; Kansas City $1.01-$1.02 1/2. No. 3 yellow corn Minneapolis $1.04 1/4-$1.05 1/4. No. 3 white corn Chicago $1.04-$1.04 1/2. No. 3 white oats Chicago 39-40 3/4 cents; St. Louis 39 3/4-40 cents; Minneapolis 36 1/2-36 3/4 cents. No. 2 white oats Kansas City 40 1/2-41 1/2 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 9 points, closing at 23.30¢ per lb. October future contracts on the New York Cotton Exchange declined 5 points, closing at 23.33¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 18,	Aug. 17,	Aug. 18, 1924.
20 Industrials	142.60	141.56	104.99
20 R.R. stocks	103.30	103.28	92.65

(Wall St. Jour., Aug. 19.)

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Vol. XVIII, No. 43 Section 1 August 20, 1925

RUBBER IN LIBERIA

An Akron, Ohio, dispatch to the press to-day says: "Negotiations which have been in progress for the last six months have been virtually completed between Harvey S. Firestone, president of the Firestone Tire and Rubber Company, and the Liberian Government for the leasing of 1,000,000 acres of rubber plantation land in the African Republic. Edwin Barclay, Secretary of State of Liberia, has been in Akron to work out final details of the transaction. He arranged for a long-time lease on the property. This is expected to be approved as soon as he returns to Liberia. After receiving assurance from Secretary Barclay that officials of Liberia were ready to approve his proposition, Mr. Firestone announced that he will place under cultivation the entire million-acre tract. He is planning to send a large force of men there to prepare the land for growing rubber trees. This marks the first effort of an American manufacturer to grow rubber on such a large scale, although the question has been agitated for years. ....Development of the huge rubber-producing resources of Liberia by the Akron manufacturer is regarded as another blow against British rubber monopoly. It is learned on good authority here that a $100,000,000 corporation will shortly be formed to operate the Liberian plantation on a gigantic scale, which will assure American manufacturers of an adequate future supply of rubber. Mr. Firestone predicts that Akron will not only be the center of the manufacturing world, but will become also the headquarters of the rubber-growing industry of America. This would be brought about, he indicated, through the formation of a mammoth corporation, designed to grow rubber in foreign countries, financed by American capital. 'The National Automobile Chamber of Commerce estimates that 1,500,000 more planted acres of rubber trees are needed, if the supply is to meet the demand within the next few years,' he said."

LIVESTOCK RATES

An Associated Press dispatch from Washington to-day says: "Proposed new schedules cancelling through joint rates on livestock from Texas points to Cincinnati, Indianapolis, Louisville and certain other related points east of the Mississippi, were ordered suspended by the Interstate Commerce Commission yesterday from August 20 to December 18. The proposals would have resulted in the application of class or combination rates which would have increased the transportation charges from 3 to 13 cents per hundred pounds. The commission will hold hearings on the fairness of the new schedules, which involve all the Southwestern carriers. Protest against them was entered by the Southwestern Cattle Raisers' Association, of Fort Worth, the Southeastern Livestock Association, of Louisville, Ky., and the Louisville Board of Trade."

Section 2

Farmer Prosperity

An editorial in the Kansas City Daily Drovers Telegram for Aug. 13 says: "Nearly everybody has been busy saving the farmer for several years. Most of this saving grace has come from Washington, or at least the prayers have nearly all asked that it flow from that fountain. Various relief measures have been proposed, but very few of them have had any effect. Now the patient threatens to get well in spite of the doctors. He may make complete recovery from his ills if left alone. .... Just lately representatives of 350,000 milk producers unanimously asked the President and Congress to help the farmers by leaving them alone without any more laws. Other farm organizations have expressed similar views during the last year. In the mean time the patient, the American farmer, is feeling pretty well, thank you. Fourteen dollar hogs, dollar corn and $15 steers are having quite a tonic effect. And the delightful fragrance from the bloom of a three-billion-bushel corn crop is doing more than all the flowers and encouraging messages Miss Columbia could send."

Food Research

An editorial in The New York Times for Aug. 18 says: "Puzzlement was caused by the outcome of a recent referendum on the favorite dishes of New York's restaurant patrons. Corned beef and cabbage was the Abou ben Adhem that led all the rest by a margin hardly in agreement with ordinary observation. ....Beef as an item in the American diet is receding into the background. Professor East in last Sunday's Times explained it on the ground of our increasing population, our decreasing pasturage and consequently rising prices. The beef animal 'is giving way to the metabolic efficiency of the pig.' This is one of the kindest things that have ever been said about the pig, but it is true. The official figures are corroborative. In the year 1910 the per capita consumption of beef in the United States was nearly 72 pounds. In 1923 it was 62.5 pounds. But in the same period the consumption of pork, exclusive of lard, had risen from 60 to 91.4 pounds per capita. The pig pen is mightier than the horde of the Western range. This marked upswing in the consumption of pork, however, dictates caution with regard to another statement of Professor East's. He predicts that animal foods as a whole will tend to disappear unless our population is stabilized. So far the process has not set in. In the year 1910 the per capita consumption of beef, veal, mutton and pork was 147 pounds. In 1923 it had risen to 167 pounds. Against a decline of 10 pounds in beef there was a gain of 30 pounds in pork. Nor can we approve Professor East's slighting omission of the great American hen. As an egg producer she has won recognition; but her flesh is no mean factor in the national diet. In 1923 New York City received in the form of live poultry alone nearly 150,000,000 pounds. If we add the cold-storage variety we are almost within striking distance of the 350,000,000 pounds of beef which the city called for in the same year, and not very far behind the 450,000,000 pounds of pork. Add 120,000,000 pounds of eggs and it is likely that the products of the fowl are New York's favorite form of animal food. Topping all, of course, and almost equal to the total of all forms of meat, are the 1,600,000,000 pounds of milk consumed in the city in a single year. It is not yet demonstrated that the pig and the hen are doomed to follow the steer into the eternities. Professor East estimates that it takes eight times as much land to support human life on a purely animal diet as on one purely vegetable. The higher investment may be justified by correspondingly higher results. It is not so much a question of supporting human life as of producing human energy

for the work of the world; and it seems to be an established fact that the meat-eating races work harder than the others. The British worker, if trade union regulations are left out of the reckoning, produces more than his Continental competitor. The American, who eats more meat than the Englishman, produces more than the Englishman. If the difference can be traced to diet, the triumph of the vegetable in Anglo-Saxon countries may be delayed. Bookkeeping and long habit will assert themselves, and rather than give up their fleshpots the English-speaking races may bethink themselves of Stefansson's millions of square miles in Northern Canada crying aloud to be turned into reindeer ranges for feeding the world."

Railroad Earnings

An editorial in The Price Current-Grain Reporter for Aug. 12 says: "Monthly statements of earnings of the various railroads are especially interesting at this time. They are almost universally improving, showing gross revenues of large proportions. Part of this, however, is brought about through unusually low tourist summer rates which in many localities have been arranged on a new scheme of special trains, without Pullmans running out on a Saturday night and back on the following Sunday night. This and other passenger traffic novelties is, so it is said, showing a profit although such rates are remarkably low. It is a part of the plan of natural competitive transportation which is satisfactorily working out the railroad situation and we hope will be continued unhampered by Federal control or further talk of forced rail consolidations."

Rubber Restrictions

An editorial in The Grain Growers' Guide (Winnipeg) for Aug. 12 says: "The policy of restriction of output of rubber, which has been supported by a coalition, a Conservative and a Labor Government in Great Britain, is of some interest as an experiment to prevent economic distress among certain primary producers by deliberate control of the market. About 50 per cent of the world's rubber supply is grown in British colonies, and represents an investment of approximately $400,000,000. ....Thus for three years rubber production in the British colonies has been under control, and export has been adjusted in a way that was calculated to just supply the demands of the market at what was considered to be a fair price for the producers, that is the British capitalists who had money invested in rubber plantations. Rubber, however, is also produced in the Dutch colonies; about 35 per cent of the world's supply is grown in the Dutch East Indies. An effort was made to induce the Dutch rubber interests to come into the scheme for control, but without success. The consequence has been that the Dutch producers have profited by the British restrictions, and they have increased their production and thus diminished the advantage the producers in the British colonies gained by the restrictions they adopted. The first result of the restrictions was a rapid and heavy rise in the price of rubber. Then there was a fall, but owing, it is said, to the introduction of balloon tires for automobiles, the demand for rubber has greatly increased, and although the rubber output has steadily increased, rubber manufacturers want the restrictions removed so as to bring into the market the whole output available, and thus either reduce prices or increase their own profits. There is no doubt the rubber interests of the British colonies will bring all the pressure they can command upon the British Government to continue the restric-

tions, and they still hope to bring their Dutch competitors into the scheme for regulating supply to demand so as to prevent a disastrous slump in prices through over-production. The experiment and the situation are interesting as an indication of the changing attitude with respect to production, marketing and price control, and of the difficulty in applying restriction schemes, when a section of the producers can see an advantage for themselves by refusing to join in them. It is obvious that if restriction continues in the British colonies, the Dutch producers can not only get the better price, but larger markets."

Section 3
MARKET QUOTATIONS

Farm Products

August 19: Chicago hog prices closed at $13.30 for the top and $11.40 to $13.10 for the bulk. Medium and good beef steers $7 to $13.50; butcher cows and heifers $3.75 to $12.50; feeder steers $6 to $9; light and medium weight veal calves $11 to $13.75. Fat lambs $13.75 to $15.25; feeding lambs $14 to $15.50; yearlings $9.50 to $12.50; fat ewes $4.50 to $8.25.

Potato prices showed a decline of 50¢-75¢ in eastern markets. New Jersey sacked Irish Cobblers ranged $2.50-$2.85 per hundred pounds in eastern consuming centers, and $2.45-$2.55 f.o.b. central and northern New Jersey points. Georgia and North Carolina peaches sold 25¢-50¢ lower on the New York market ranging $2-$2.50 per six basket carrier. Watermelon prices barely steady. Georgia and South Carolina Thurmond Grays 22-30 pound average sold at $175-$375 in Eastern cities. Maryland and Delaware Salmon Tints and Green Meat cantaloupes show a decline. Standard 45 ranged 75¢-$1.25 in Eastern markets. California Salmon Tints from Turlock section 3454 50¢-$1 lower ranging $1.25-$2.25 in eastern cities.

Closing prices on 92 score butter today: New York 43 1/2¢; Chicago 41 3/4¢; Philadelphia 44¢; Boston 44¢.

Grain prices quoted August 19: No. 1 dark northern Minneapolis $1.60-$1.75. No. 2 red winter St. Louis $1.76-$1.78; Kansas City $1.71-$1.72. No. 2 hard winter Chicago $1.61 1/2-$1.62; St. Louis $1.64; Kansas City $1.63-$1.72. No. 2 mixed corn Chicago $1.07-$1.07 1/4; St. Louis $1.05 1/2; Kansas City $1.01 1/4-$1.02. No. 2 yellow corn Chicago $1.07 1/2-$1.08 1/4; St. Louis $1.06 1/2; Kansas City $1.03. No. 3 yellow corn Chicago $1.06 1/2-$1.07 3/4; Minneapolis $1.05 3/4-$1.06-3/4. No. 3 white corn Chicago $1.05 3/4-$1.06 1/2. No. 3 white oats Chicago 40 1/4-41 cents; Minneapolis 37 3/4-38 cents; St. Louis 40 1/2 cents. No. 2 white oats Kansas City 41-41 1/2 cents.

Average price of Middling spot cotton in 10 designated spot markets advanced 4 points, closing at 23.34¢ per lb. New York October future contracts were unchanged, closing at 23.33¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 19	Aug. 18	Aug. 19, 1924.
20 Industrials	141.82	142.60	105.38
20 R.R. stocks	102.96	103.30	92.10

(Wall St. Jour., Aug. 20.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XVIII, No. 44 Section 1 August 21, 1925

FARM SALES

A Minneapolis dispatch to the press to-day says: "A plan has been worked out by bankers and land men of the Twin Cities to market, through extensive advertising, scores of farms which in the last three years have been taken over by rural banks of the Northwest. Life insurance companies and farm loan agencies also are interested in the move. Through an aggressive selling organization centered in the Twin Cities, in charge of experienced land men, it is hoped to find buyers for these farms, which are among the so-called 'frozen assets' of the banks. It is believed that one large central selling agency will have better success in finding buyers than the individual banks. If the plan works out as expected it not only will 'thaw' the banks' assets, but will be the means of putting hundreds of idle farms back into operation. The favorable crop this year, on the heels of the bumper 1924 production in the Northwest, has revived interest in farming, and thousands of former farmers who drifted into the cities during the depression are now ready to go back to the country. There is more activity in farm land sales in the Northwest now than any time since the collapse of the boom four years ago. Prices have advanced some."

PHILIPPINE RUBBER

An Associated Press dispatch from New York to-day says: "The Philippine Islands can produce all the rubber needed in the United States, John W. Haussermann, vice president of the American Chamber of Commerce of the Philippine Islands, said to-day. Drawing upon the islands for this country's rubber supply, he asserted, would result in a large saving to the public through lower costs. Mr. Haussermann characterized 'extremely conservative' the report issued last week by the United States Department of Commerce estimating that 1,500,000 acres were available for the growth of rubber in the Philippines on the scale of 70,000 tons of production annually. 'This report,' said Mr. Haussermann, 'is based, because of the limited labor supply, on production as worked over the only 500,000 acres, or one-third of the acres available. On this basis, however, the surveyed lands of proved rubber production alone can eventually produce 210,000 tons annually, or more than two-thirds of America's present imports in crude rubber.'"

GAME PROTECTION

An Associated Press dispatch from Denver to-day says: "Urging that America look toward the establishment of a game protective system similar in many respects to that prevailing in Europe, Dr. T. G. Pearson of New York, President of the National Association of Audubon Societies, to-day told delegates to the International Association of Game, Fish and Conservation Commissioners of the advantages of the European system. In Europe, he said, game is private property, with the result that land owners are conscientious in its protection. In America game is considered public property with the result that it is necessary to protect it by laws. The European system, he said, results in a great abundance of game, because it is profitable to land owners to protect. In this country land owners are inclined rather to discourage propagation of game on their lands."

Section 2

Business Conditions

"Business conditions are practically unchanged from 30 days ago, according to an analysis by the National Bank of Commerce in New York. ....The slight downward movement of bond prices and the firmer money rates of the last few weeks is looked upon as largely seasonal, with a further firming in money as a natural consequence of autumn demand for crop moving. ....Continuing in some detail, the commerce bank says: 'In no line has there been more than the customary midsummer decline in the volume of business, while in many industries the slackening has been less than is usual. The improved agricultural outlook continues to be the outstanding feature of the situation. Good crops of corn and cotton are now fairly well assured and the short wheat crop is being compensated by a satisfactory price. While it may be well that in some lines of industry there is a disposition to count unduly on farmer buying, it is safe to assume that this autumn goods of all classes will find a readier market in most agricultural regions than at any time since the post war depression began. ....With consumer demand at high levels both in agricultural and nonagricultural localities, the outlook is for an autumn prosperity shared by practically all classes of business.'" (The Wall St. Jour., Aug. 19.)

Canadian Food Imports

An editorial in The Country Gentleman for Aug. 22 says: "Farmers in the United States feel that their production costs and living standards are so high as to constitute a disadvantage in competing with other world producers. Much depends on the point of view, as was demonstrated at the last meeting of the Ontario, Canada, Vegetable Growers' Association. J. Lockie Wilson, secretary-treasurer of the association, speaking in terms that may sound strange to the ears of farmers in this country, said: 'On top of our other handicaps our markets are flooded with trainload after trainload of vegetables from the semitropical sections of the United States, grown by the cheap labor of the South. The free-trade theories that are discussed in this country are a waste of time, living as we do alongside a nation of 120,000,000 people who have built a wall as high as Haman's gallows to protect their growers from their neighbors.' The Canadian growers pointed out that $22,935,976 worth of fruit and $4,756,035 worth of vegetables came over the border from the United States last year. These, as one grower declared, 'come into Canada either entirely free of duty or with a duty based on the low cost of production under semitropical conditions, grown by cheap labor.' The Canadian position was stated in this way: 'The vegetable grower in Canada carries on under trying climatic conditions, expensive equipment and an unsympathetic tariff policy. When he compares his situation with the balmy climate, year around production and established cooperatives of our southern neighbor, who, to our sorrow, understands the exploiting of all markets, there can be no wonder that he feels at a disadvantage.' So a tariff duty on vegetables and fruits from the United States, to be levied on entry at so much per invoiced pound, has been requested. And, as one grower naively called to attention: 'If United States growers, the rapidly extending citrus fruit associations, for example, found a heavy duty on their exports to Canada, they would bring pressure to bear on their own Government, and we would be in a position to demand more equitable entry for some of our Canadian products. It appears to

me that the high duty on Canadian wheat entering the United States could have been warded off by increasing the Canadian duty on some of the United States exports to us.' As has been said, much depends on the point of view and also on the location of the viewer."

Freight Rates

An editorial in The Price Current-Grain Reporter for Aug. 12 says: "The departmental pages of the Price Current-Grain Reporter have recently reported extra consideration given to the subject of freight rates in State and national conventions. In the latter conferences, it has been difficult to secure definite opinions because of necessity, such associations are prescribed through the conflicting interests of eastern and western members, and transportation managers have been operating on general lines, and with their hands tied on sectional disputes. More uncertainty prevails on the freight rate structure to-day than for some time with a tendency to higher prices on through traffic. The Interstate Commerce Commission is apparently leaning towards the fixing of rates on a mileage basis rather than an arbitrary standard, probably as good a basis as any other if it is borne in mind that our transcontinental carriers are entitled to at least some measure of competition with ocean rates via the Panama Canal. A further point of much importance is the movement of empty cars justifying very often a lower freight rate on goods moving in a certain direction than over the same mileage in the opposite direction. It is the job of the I. C. C. to adopt a rather definite principle of rate determinations, but to let it be subject to such exceptions as may be advantageous to the country. No hard-and-fast rule on a mileage basis will ever be wise and should not, if such plan is selected, master the general freight movement of the country."

Reforestation

An editorial in the Ft. Bragg, (Cal.) News for Aug. 8 says: "The lumber industry is one of our largest employers of labor, one of the largest taxpayers and one of the largest producers of wealth from raw material. There is no greater national issue than reforesting the denuded areas, not only from the logging off of forests by sawmills, but also from cutting forests for other national manufacturing industries. The furniture industry alone puts on the market in this country $770,000,000 worth of manufactured products annually and in 1923 the automobile industry used 600,000,000 feet of soft and hardwood lumber. At a recent national conference of editors and publishers, they were startled into thinking of forestry as a national issue by the statement that 7,500 acres of timber land are cut each week for pulpwood to make newsprint. Freight charges of $250,000,000 in 1923 were paid for products of Pacific coast forests used in the mills and factories of central and eastern States. It is not just western sawmills which are leaving logged off lands that can only be salvaged by a national enthusiasm for reforestation."

Rubber Situation

An editorial in The Outlook for August 19 says: "There is, of course, a question as to whether or not rubber planting in the Philippines would be always profitable even if talk of Philippine independence were stopped and a policy of retention definitely adopted. The low price of rubber before the Stevenson plan was put into effect appears to indicate that, under free conditions, there may be periods

when rubber production will be generally unprofitable. Large-scale rubber production in the Philippines does not hold out the assurance of continuous large profits; but it does hold the assurance of continuous reasonable prices to consumers. No scheme for increasing prices such as the Stevenson plan could be made to work if no single nation had a practical monopoly of the supply. And, regardless of what we may do in the Philippines, it appears probable that the British monopoly is not to continue much longer. Production of rubber in the Dutch East Indies, already considerable, is increasing, and it is reported that the Netherlands Government declined to cooperate with the British by adoption of the Stevenson plan. Brazil, the original home of the Para rubber tree, where millions of trees are growing wild in the Amazon Valley, is making intelligent efforts to recover something of what it lost to Great Britain years ago. Substantial encouragement is offered capital to develop the rubber possibilities of the Amazon Valley. A policy of liberality may recover a considerable part of what a previous avaricious policy lost. The United States may probably be able to produce rubber nearer home than the Philippines. Experiments are in progress in Porto Rico, in Florida, even on the dry lands of Texas, Arizona, New Mexico, and California, where several species of rubber-producing plants may be grown. They may not be so good for the purpose as the Para tree, but they can be made to produce rubber. Investigations are in progress also into the possibilities of producing an American supply of rubber on leased lands in various Central and South American countries; and American rubber manufacturers are negotiating for something near a million acres of land in Liberia, to be planted in rubber trees. ....After all, we must continue for several years to pay more for rubber than we would have paid had we developed our resources in the Philippines when we should have developed them."

Wheat in Kansas

The St. Joseph Stock Yards Daily Journal for Aug. 13 stated that the combined value of the Kansas wheat and corn crops raised in 1924 exceeded by 20,000,000 dollars the total deposits in all the State banks in Kansas at that time. This was revealed to-day when the State board of agriculture made public the final quarterly report for last year. .....The total value of the major crops was more than 270 million dollars, compared with deposits of about 250 million dollars in the State banks.

Wholesale Prices

A further rise in the general level of wholesale prices is shown for July by information gathered in representative markets by the U. S. Department of Labor through the Bureau of Labor Statistics. The bureau's weighted index number, which includes 404 commodities or price series, rose from 157.4 in June to 159.9 in July, a gain of 1.6 per cent, and the highest level reached since February, 1921. Farm products showed the largest increases over prices in the preceding month, due to advances in cattle, hogs, sheep, cotton, eggs, hay, hides, milk, potatoes, tobacco, and wool. Prices of corn, oats, rye, wheat, poultry, flaxseed, and onions, on the other hand, averaged lower than in June. In the food group there were increases for meats, butter, lard, oleo, and cottonseed oil, and oranges, which more than offset decreases for coffee, flour, cornmeal, sugar, bananas, and lemons, resulting in a

small net increase for the group. In the group of miscellaneous commodities continued advances in rubber prices brought the index number for July to a point 4 per cent higher than in June. In the remaining groups prices showed little variation from those of the previous month, the tendency being upward for cloths and clothing, metals, and chemicals and drugs, and downward for fuels, building materials, and housefurnishing goods.

Section 3
MARKET QUOTATIONS

Farm Products

August 20: Chicago hog prices closed at $13.60 for the top and $11.75 to $13.35 for the bulk. Medium and good beef steers $7 to $13.75; butcher cows and heifers $3.85 to $12.25; feeder steers $6 to $9; light and medium weight veal calves $10.50 to $13.75. Fat lambs $13.75 to $15.25; feeding lambs $14 to $15.50; yearlings $9.50 to $12.50 and fat ewes $4.50 to $8.25.

New Jersey Irish Cobblers $2.50-$2.85 per hundred pound sack in terminal markets. Minnesota Early Ohios ranged $2.35-$2.50 in midwestern markets; $1.75-$2 in carload lots in Chicago. Georgia, North Carolina and South Carolina Tom Watson watermelons 24-30 pound average $200-$350 bulk per car in New York City; in Boston 40¢ unit basis. Thurmond Grays $250-$325 per carload in New York and Philadelphia. North Carolina, Virginia and Delaware Elberta peaches sold at $2.50-$3.75 per six basket carrier and bushel baskets in consuming centers. Maryland and Delaware Green Meat and Salmon Tint cantaloupes sold mostly at 75¢-$1 per standard crate in Eastern markets. California Salmon Tints from Turlock section ranged $1.50-$2.25 per standard 45 in important cities.

Closing prices on 92 score butter to-day: New York 43 1/2¢; Chicago 41 1/2¢; Philadelphia 44¢; Boston 44¢.

Grain prices quoted August 20: No. 2 red winter Chicago $1.67 1/2; St. Louis $1.80; Kansas City $1.74. No. 2 hard winter Chicago $1.63-$1.65; St. Louis $1.65; Kansas City $1.66-$1.72. No. 2 mixed corn Chicago $1.06 1/4-$1.07; St. Louis $1.04; Kansas City $1.00 1/2. No. 2 yellow corn Chicago $1.06-$1.07 1/2; St. Louis $1.05-$1.06; Kansas City $1.02. No. 3 yellow corn Chicago $1.04 1/4-$1.06 1/2. No. 3 white corn Chicago $1.05-$1.06. No. 3 white oats Chicago 40 1/4-41 3/4 cents; St. Louis 41-41 1/2 cents; No. 2 white oats Kansas City 42 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 9 points, closing at 23.25¢ per lb. New York October future contracts declined 5 points, closing at 23.28¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 20	Aug. 19	Aug. 20, 1924
20 Industrials	141.66	141.82	105.57
20 R.R. stocks	102.93	102.96	91.44

(Wall St. Jour., Aug. 21.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XVIII, No. 45 Section 1 August 22, 1925.

SHIPPING PROBLEMS

To bring the best business judgment of the country to bear from every possible angle upon a solution of the shipping problem the Chamber of Commerce of the United States will hold a series of conferences in cities of the Pacific Coast and Rocky Mountain States to consider the questions of sectional requirements involved from the standpoint of national policy. Following the Pacific Coast and Intermountain conferences similar meetings will probably be arranged to cover the Middle Western and Southern States to get opinion in the grain growing and cotton producing sections. The groundwork for the discussion has already been outlined by four committees of the Chamber's National Merchant Marine Conference, made up of more than 100 business men, economists and others, representing a wide range of commercial, industrial, agricultural and transportation interests.

FREIGHT RATES

An Associated Press dispatch from Kansas City, Mo., to-day says: "Methods of combatting the proposed increase in freight rates in the western district were discussed by representatives of twenty-eight State Public Service and Utility Commissions and representatives of agricultural and shipping interests. The conference is for the purpose of coordinating the efforts of all concerned in the fight being waged against any increase in rates. Declaring that an increase in freight rates was unnecessary, J. H. Mercer, secretary of the Kansas Livestock Association, said the railroads were generally prosperous. 'We of the livestock industry contend the railroads are a nurtured industry--Government nurtured--and are generally prosperous.' An investigation by rate men of the various Public Service Commissions to determine the equity of freight rates on agricultural products as compared with other commodities was urged by William Hirth, of the Missouri Farm Bureau Federation. The meeting adjourned to convene again in Chicago September 8, when the Interstate Commerce Commission starts the freight rate hearing. After meeting with the State Public Service Commissions, the farm organization men met in another room to compile some formal questions, which they requested the rate men to answer before the Chicago hearing. The questions had to do with rail earnings on classes and commodities; expenses, revenues and cost of operation since 1920, a comparison of rates and ton-mile earnings and the market value of railroad securities since 1920. Committees on valuation of railroad properties; revenues and expenses and rates and valuations of railroad securities were named."

An Associated Press dispatch from Washington to-day says: "The Interstate Commerce Commission's Chicago hearing, September 8, on western rates will be given over entirely to presentation of evidence by the railroads, and the shippers, and the public will present their evidence later at hearings in other cities still to be selected. A committee of representatives of State Railroad Commissions will cooperate in the hearings. The carriers have been asked to present at Chicago complete information on mileage operated by each class 1 road in each Western State, the operating revenues received by each road in each State, divided between intra-State and inter-State traffic and the total tonnage handled in each State."

Section 2

Argentina Invites American Farmers

The Pan American Union Bulletin for August states that on the eve of his departure for Washington to resume his duties as Argentine ambassador to the United States, Dr. Honorio Pueyrredón granted a notable interview in which he stated that he hoped very soon to put into effect several measures that will result in a very much closer relationship and more complete interchange between Argentina and the United States. In the course of the interview, Doctor Pueyrredón remarked: "There are two things in the United States that I greatly admire: The American people, and the American roads, and I want to see more of both of them in my own country." ....Dr. Pueyrredón must be credited as the first to state publicly what has recently been repeated by many: That the United States must soon turn to Argentina for its beef and wheat. On this point Doctor Pueyrredón said: "Argentina is to-day in about the same stage of industrial development as was the United States at the end of the Civil War. We are overwhelmingly an agricultural country, 95 per cent of our exports being agricultural. On the other hand, the United States has become one of the world's greatest industrial nations. We fatten steers on alfalfa on the great open estancias and export our corn, while in the United States the steers are fattened for market on corn, so that the great Corn Belt is practically the only part of the United States where cattle can be raised profitably. Now the rapidly increasing population has so encroached on this Corn Belt from both coasts that you have now to ship as far to get your meat to California as to get it to the East, and it now costs as much to ship a pound of beef from Chicago to Boston as it does from Buenos Aires to Boston. In Argentina there are four beef cows per person, whereas in the United States there are three persons for each beef cow. Confining our attention for a moment to beef production, there is no reason to expect Argentina to lose her dominant position, as this is assured by $35 cows, $30 land, and $25 cowboy wages. No other country can boast a comparable area of land so beautifully adapted to alfalfa, corn, winter pasture and beef. A year-round grazing season helps to give us supremacy in the export-beef trade. And we have only begun to develop our pastoral resources. Argentina has millions of acres of grassland, admirably adapted to alfalfa, which have never been plowed. And we can fatten two steers a year on every acre of that land. Your beef producers have moved farther and farther west in search of cheap pasture land. They can now go no farther within the boundaries of the United States. ....Some of our young men may wish to go to the United States in search of industrial openings. And if any farmers of livestock in the United States are seeking an opportunity for greater expansion in the strictly pastoral and agricultural regions of Argentina, I will gladly undertake to direct them to Government officials and responsible private persons from whom they will receive a genuine welcome and dependable advice in choosing a location where success may be expected." The ambassador believes that Argentina offers a bright future for American farmers, but while he wants to see them go there, it should be clearly understood that he has no scheme for colonizing them on Government land. Doctor Pueyrredón does maintain, however, that American farmers can buy the finest agricultural land in the world in Argentina, within easy access of railway lands, at a cost per hectare (2.47 acres) that is as low and sometimes lower than the cost per acre in the United States, but that any young farmer desiring to go to Argentina and to purchase privately owned land ought to have a capital of from $5,000 to

$10,000. "Four or more of your big packing companies conduct a flourishing business in Argentina," added the ambassador. "The logical corollary of this packing movement is for some of your cattlemen to follow those companies to Argentina for the purpose of supplying the respective plants with the steers needed for our growing export trade." Dr. Pueyrredón repeated what has been said before many times about international commerce, but which can not be repeated too often, especially as regards the trade between this country and the United States: "Commerce is two sided; we buy where we sell, and sell where we buy. Argentina should not be asked to buy to an ever-increasing extent from any country which does not take our commodities in corresponding quantities to balance trade. Commerce must flow in two parallel currents, outgoing and incoming. If Argentine farm products go to other industrial markets which may show a preference for them, we may quite naturally come to buy our manufactured goods there under pressure of the maritime factor of trade which augments or reduced exportation according as there is or is not a return cargo."

Section 3

MARKET QUOTATIONS

Farm Products

August 21: Chicago hog prices closed at $13.75 for the top and $11.30 to $13.40 for the bulk. Medium and good beef steers $7 to $13.75; butcher cows and heifers $3.85 to $12.25; feeder steers $6 to $9; light and medium weight veal calves $10.50 to $13.75. Fat lambs $13.50 to $15.25; feeding lambs $14 to $15.50; yearlings $9.50 to $12.50 and fat ewes $4.50 to $8.25.

Potatoes weaker in city markets and at shipping points. New Jersey sacked Irish Cobblers ranged $2.35-$2.85 per hundred pounds in eastern cities; $2.35-$2.50 at Northern and Central New Jersey points. Watermelons declined. Georgia, North Carolina and South Carolina Tom Watsons and Thurmond Grays 22-30 pound average, declined $25-$50 per carload ranging $150-$350 in New York. North Carolina Elberta peaches steady in New York at $2.50-$3 per bushel basket. New Jersey Elbertas ranged $2-$2.50 per six basket carrier and bushel basket in New York and Philadelphia, top of $3.75-$4 in Pittsburgh. Maryland and Delaware cantaloupes are selling at a wide range of 50¢-$1.75 per crate in Eastern markets. California Salmon Tints from Turlock sections 50¢-$1 lower at $1.25-$1.75 in city markets. New York Big Boston type lettuce ranged 50¢-90¢ per 2-dozen crates in consuming centers; Colorado Iceberg type $2.50-$3 per crate.

Closing prices on 92 score butter to-day: New York 43 1/2¢; Chicago 41 1/2¢; Philadelphia 44¢; Boston 44¢.

Grain prices quoted August 21: No. 2 red winter Kansas City $1.74; St. Louis $1.78-$1.81. No. 2 hard winter Chicago $1.60 1/2-$1.66; Kansas City $1.62-$1.70. No. 2 mixed corn Chicago $1.05 1/2; Kansas City 98 1/2-99 cents; St. Louis $1.03. No. 2 yellow corn Chicago $1.05 1/2-$1.06; Kansas City $1.01; St. Louis $1.04-$1.14 1/2. No. 3 white corn Chicago $1.04 1/2-$1.05. No. 3 white oats Chicago 40 1/4-41 1/2 cents; No. 2 white oats Kansas City 41 1/2 cents. No. 3 white oats St. Louis 41 1/4-41 1/2 cents.

Average price of Middling spot cotton in 10 designated spot markets advanced 3 points, closing at 23.28¢ per lb. New York October future contracts advanced 7 points, closing at 23.35¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XVIII, No. 46 Section 1 August 24, 1925.

HENRY FORD ON FARMER PROBLEMS

A New York dispatch to the press to-day says: "Abolish the dairy cow; scientifically produced synthetic milk can be both richer and cheaper. So says Henry Ford, who has turned his attention toward the problems confronting the farmer. His ideas in this direction will appear at length in an interview to be published shortly in Farm and Fireside. The average practical farmer may be startled by some of the automobile manufacturer's observations on agriculture, and so, too likely, the rank and file of scientists and economists. His attitude toward farming is strictly that of a production engineer. Even the best of scientific farming pains his efficiency senses. He proproses to abolish the cow because she is inefficient and to substitute for her a machine which, synthetically, will produce milk from which butter can be made....'The trouble with farmers is that they had to use too much of their time milking cows and taking care of all the other animals they keep. That has all got to be changed; growing crops takes less than a month's time out of the year and the rest of the time farmers could well employ at some other work.' He was asked how it would be possible to keep up soil fertility without the fertilizer produced by farm animals. 'That can be done easily with commercial fertilizers,' he replied. 'We are making ammonium nitrate in our Rouge plant as a by-product of the coke ovens and using it on our farms.' It was suggested that it is not always economical for a farmer growing general crops to buy the fertilizer he needs. 'It will be in the future,' he asserted, a bit impatiently. 'Farms will be larger and they will be run more systematically. The little farmers will have to go. They are back numbers. Why do we need farmers, anyway?' Then, realizing perhaps that this was a bit extreme, he corrected himself: 'It depends whether you regard farming as a way of living or as a business. Some people farm because they like to live in the country. Other people farm because they think there is money in it. Let people live in the country if they like. They can easily go back and forth to work in their cars. Let them farm if they want to. But there is no reason why anyone should use all his time farming. 'Industry gradually is moving out into the country districts and more and more farm people are going to work in these plants.'"

LIVING COSTS

A Washington dispatch to the press to-day says: "The cost of living is continuing to rise and is now close to 75 per cent above that of 1913, according to figures obtained from the Department of Labor's statistical bureau. What could be purchased for $1 before the World War costs almost $1.75 to-day."

TEXAS FARM LABOR EXODUS

An Austin dispatch to the press to-day says: "The greatest exodus ever known of farm laborers from Central Texas to the more favored agricultural parts of the State is now in progress. Mexicans and Negroes are leaving by the thousands because of drouth conditions in an area embracing sixty-two counties. Commercial bodies and banks are assisting the tenant class and field laborers in finding new locations."

Section 2

Federal Grain Reserve System

An Associated Press dispatch from Des Moines on August 19 said: "A Federal grain reserve system was suggested as a means of stabilizing grain prices by Charles D. Reed, head of the Iowa weather and crop reporting bureau, in an address here yesterday. Mr. Reed favored control of such a system by a Federal commission, declaring 'no one would suffer from it except the grain speculators.' Regulation of production, import and export grain could be handled by the board, he said, to the benefit of farmers and business generally. Practicability of the plan, he believes, has been demonstrated by the Federal Reserve banking system. Mr. Reed said Iowa's corn acreage this year was larger than in any previous season, but pointed out that a bumper crop did not always mean greater income for the farmers. Eastern Iowa has the best crop ever recorded, the crop observer stated, and the general production will be good, he believes."

Food Prices

The retail food index issued by the United States Department of Labor through the Bureau of Labor Statistics shows that there was an increase of more than three per cent in the retail cost of food in July, 1925, as compared with June, 1925. The index number (1913 = 100.0) was 155.0 in June and 159.9 in July. For the year period, July 15, 1924, to July 15, 1925, the increase in all articles of food combined was approximately 11.5 per cent, while for the twelve-year period, July 15, 1913, to July 15, 1925, the increase was about 60.5 per cent.

German Tariffs

An editorial in The Southwestern Miller for August 18 says: "After a lapse of more than 10 years, or since the beginning of the World War, Germany is about to put high duties into effect again on wheat and flour....To American millers the action of the German Reichstag is anything except pleasing. The hope of American millers had been that Germany, which is eager to broaden her market for the products of her great industrial plants in order to pay huge war obligations, would refrain from exacting tariffs on foodstuffs. Another hope here was that a parity would be maintained between wheat and flour, although signs have not been wanting that this would not be done. The rates as adopted are discriminatory against flour, it is obvious....That some business may be done with Germany under the new law is indicated by the following report of the Associated Press from Berlin: 'While the new duties will tend to hamper American exports to Germany, it is indicated in official quarters that the tariffs represent maximums which are to constitute the basis for subsequent negotiations with other nations. In the case of food duties, for instance, it is pointed out that the Ministry of Agriculture is empowered to alter these in order to secure reciprocal treatment from nations which have not yet concluded treaties with Germany.' Whether the United States will be able to persuade Germany to make modifications in the interest of our wheat and flour, especially flour, will shortly be made known. No time should be lost in trying to hold this market. The United States is in a position to offer much for it to the German government."

Russian Agriculture

Russian Review for August 15 says: "In order to wage a systematic struggle against recurrent draughts and to build up a sturdy agricultural economy in the country's arid regions, the Presidium of the Central Executive Committee of the Soviet Union has decided to create a 'Special

Fund for Fighting Droughts' in the amount of 77,000,000 gold rubles, to be raised within the next three fiscal years by annual budget appropriations, as follows: 20,000,000 gold rubles in 1925-26; 26,000,000 gold rubles in 1926-27; and 31,000,000 gold rubles in 1927-28. The resources in this fund will be employed in the form of long-term credits to finance special alterations in the farming system in connection with the transition to more effective forms of tillage; for general improvements; for technical measures to improve the soil and establish sufficient fodder fields to assure a steady fodder supply, thus rendering possible the development of profitable livestock raising; for the acquisition and replenishment of farming equipment and for measures leading to the more efficient utilization of such equipment; and for the repair and equipment of local plants to handle the products of grain farming, livestock raising, and truck gardening. The loans provided by the fund will be granted to the various types of agricultural associations, as well as to the local Soviets, on condition that these bodies contribute a fixed share to the resources required for the measures financed through the special fund. In addition to authorizing the appropriation of resources for this special fund, the Presidium of the Central Executive Committee decided that it was necessary to make provision for the employment of technologists and the conduct of experimental work in conjunction with the projected measures for combating droughts. These appropriations are to be made through the budgets of the Russian Socialist Federated Soviet Republic (Soviet Russia proper) and the Ukrainian Socialist Soviet Republic during the next two fiscal years and their combined annual aggregate is to be not more than 2,000,000 gold rubles for the two republics."

Shippers' Advisory Board

An editorial in Better Fruit for August says: "An event of more importance to produce shippers of the Northwest than any other occurence of recent months is the establishment here of a shippers' regional advisory board under sponsorship of the American Railway Car Service bureau. H. J. Arnett, recently of Denver, has been named manager, and on August 1 begins the work of framing the board. This will consist of 15 representative local shippers. Offices of the board will be maintained in Seattle and Portland. Except for small excluded regions, the board will have jurisdiction over Washington and Oregon. Other sections of the country have had these shippers' advisory boards. There have been ten of them. They are said to have been uniformly satisfactory in handling problems relating to car supplies. They function in the matter of obtaining and alloting cars and of adjusting disputes between shippers and carriers which these parties can not settle directly. The Oregon-Washington board should be functioning in time to handle phases of supply and allotment of cars to shippers of fruit, vegetables and other products very soon, or well before the peak of fall crop movements arrives."

Transportation Problems

An editorial in The Wall Street Journal for August 22 says: "Weekly car loadings of the railroads are valuable for comparing week with week or a period in 1925 with a period of 1924, but over a number of years these figures would tell less than the whole story. The gain in loadings for this reason indicates less than the business growth of the nation. The railroads are continually scrapping old equipment and buying new, with the result that the average freight car capacity is continually increasing. In addition to this, the roads for five years have been carrying on a campaign among shippers for heavier loading of cars, so that the increase in cars loaded does not measure the increase in tons loaded. When it

comes to the number of ton-miles, which represent the freight activity of a railroad, opposing factors have been working in opposite directions. Trucks have taken a good deal of short-haul business, which would tend to increase the average length of haul, but the Panama Canal has taken a great deal of long-haul business, which would work reversely. If figures could be compiled on the total movement of freight, by railroad, truck and canal, they would show a much greater growth in the country's transportation business than is indicated by gains in car loadings. A similar situation exists in the passenger traffic of the Nation. Thoughtless persons, seeing heavy travel by motor bus, conclude that the railroads are losing their passenger traffic. It does not occur to them that most of the people who now make week-end trips by bus, contented themselves with an annual trip by rail 25 years ago; and, if they got out every week-end, it was to walk around the block or take a street car to the park."

Section 3
MARKET QUOTATIONS

Farm Products Aug. 22: Chicago hog prices ranged from 50 to 80¢ lower for the week ended August 21. Medium and good beef steers 25¢ to $1 lower; butcher cows and heifers steady to 75¢ lower; feeder steers steady to 25¢ higher; light and medium weight veal calves 25 to 75¢ lower. Fat lambs 25¢ lower; feeding lambs steady; yearlings steady to 25¢ lower; fat ewes steady.

Potatoes weaker in city markets and at shipping points. New Jersey sacked Irish Cobblers ranged $2.35-$2.85 per hundred pounds in eastern cities; $2.35-$2.50 at Northern and Central New Jersey points. Watermelons declined. Georgia, North Carolina and South Carolina Tom Watsons and Thurmond Grays 22-30 pound average, declined $25-$50 per carload in New York. North Carolina Elberta peaches steady in New York. New Jersey Elbertas ranged $2-$2.50 per six basket carrier and bushel basket in New York and Philadelphia, top of $3.75-$4 in Pittsburgh. Maryland and Delaware cantaloupes are selling at a wide range of 50¢-$1.75 per crate in Eastern markets. California Salmon Tints from Turlock section 50¢-$1 lower in city markets. Lettuce dull and weaker.

Hay market continues generally firm, with receipts light at most markets. Short crop of tame hay causing farms to delay marketing until wants are determined. Canadian crop reported slightly larger with larger stocks carried over from old crop. Weather more favorable for pastures in recent drought area of West and Southwest.

Millfeed markets easier. Wheatfeeds in excellent supply but no selling pressure from western markets is noted. Middlings fairly firm. Cottonseed meal prices steady. Little disposition shown by jobbers to trade in new crop meal. Linseed meal easier. Resellers offering linseed meal prompt shipment at $48.50 Buffalo. Cornfeeds steady, with yellow hominy feed showing weaker tendency.

Wheat future market continues unsettled, but cash grain firm on light receipts. Offerings of Russian wheat weakening European markets and Liverpool quotations lower. Small export sales reported but premiums for best milling grades firm. Corn market weaker with demand less active and buyers taking only sufficient for immediate needs. Oats also weak but good demand in Southwest.

Butter markets continue to be unsettled. A changed production outlook was an important influence. Cold storage holdings on August 1 reported at 109,041,000 pounds, which is 25,077,000 pounds lighter than last year's holdings. These stockers, however, generally considered ample for requirements later in the season. Foreign markets firm and slightly higher.

Average price of Middling spot cotton in 10 designated spot markets declined 24 points for week. New York October future contracts declined 16 points.(Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol.XVIII, No. 47 Section 1 August 25, 1925

FARM IMPLEMENT SALES

A Minneapolis dispatch to the press to-day says: "One line of trade that shows marked and continuing improvement in this section is the farm implement business. Sales are the largest since 1921, when the trade all but collapsed. For three years there were not enough farm implements sold in the Northwest to keep long-established dealers on their feet without going into other lines. The big and profitable crop of 1924 revived the trade somewhat, and this year it has continued to get better. Now, with another cro turning into cash, farmers are increasing their inquiries for implements."

CANADIAN FARMER'S INCOME

A Toronto dispatch to the press to-day says: "A measure of the new purchasing power of Canada may be gathered from the estimated increase this year of $600 over his last year's earnings added to each Canadian farmer's income from his field crops alone...This new farm income is estimated as possessing a purchasing power greater by $100,000,000 than even the largest agricultural revenue received in the three years of the post-war boom. For the enforced economy practiced here for the last year and a half has succeeded in reducing to 158 the wholesale price index of 236 commodities, which five years ago stood at 243."

FLORIDA PUBLIC LANDS

A Washington dispa ch to the press to-day says: "Moved by reports from Florida that real estate values in that State are soaring, Doctor Work, the Secretary of the Interior, to-day took steps to withdraw from sale unreserved public lands in Florida that are subject to appropriation by homesteaders, with a view to assuring better prices when the boom hits the sections in which the Government has a proprietary interest. The Government owns about 85,000 acres in Florida and Secretary Work hopes to prevent this la from falling into the hands of speculators."

MERCHANT MARINE

Chairman O'Connor, of the Shipping Board, in commenting on the introduction in the French chamber of deputies of a ship subsidy bill declared: "It becomes more and more apparent that every nation of size is beginning to feel that its industries are not safe unless at least a considerable part of its products are carried by its own ships. A national fleet of ships is the best insurance policy that I know for agriculture and manufacturing industry on land, and I note with interest that a bill is now pending in the French chamber of deputies for Government aid to its shipping industry." Hard times can be insured against, according to Mr. O'Connor, by guaranteeing to American producers ready access to the markets of the world at a reasonable rate, and that can only be done by placing a large fleet of American owned ships at their disposal. (Washington Post, Aug. 25.)

Section 2

Farmers and Tariff

An editorial in The Price Current-Grain Reporter for August 19, says: "We touched upon the flexible tariff situation here not long ago, to the effect that it had been difficult to interest farmers in the idea At a recent Philadelphia conference, however, a secretary of one of the cooperative milk producers' associations took the position that flexible tariff rates are injurious to dairying. He had in mind the cooperative marketing feature, submitting that the uneasiness of the trade on tariff changes minimized the success in marketing dairy products and that it was preferable to operate under a fixed tariff. Theoretically, this speaker pointed out the possibility of high foreign production costs of articles which could not be sold at home and therefore the dumping of such unmarketable foreign stocks either in the United States or in competition with our export business. Since our flexible tariff went into effect about three years ago, many foreign tariffs against American products have been established and if a complete or partial change of certain of our tariff provisions is likely to widely benefit agricultural interests, it is high time those represented should give the subject the close attention it deserves. An interesting side issue in this tariff situation followed the President's work in fixing rates which were to be somewhat determined by the cost of production abroad on competing articles. It will be recalled that our Government agents were quite freely sprinkled through many foreign countries and as time elapsed, we received a sharp setback in refusals of cooperation of this sort from the following countries: Great Britain, Switzerland, Denmark, Spain and Belgium. It is not likely that the President has welcomed the duty of regulating import tariffs, especially since the difficulty in determining the differences between home and foreign production has arisen. We look for a change in this procedure at the first possible opportunity."

Future Trading

An editorial in The Northwestern Miller for Aug. 19 says: "In a letter published elsewhere in this issue, Mr. David Anderson, president National Milling Co., Toledo, raises an interesting point in connection with the application of penalties to defaulters on contracts for future delivery. Briefly, the point made is that the five per cent penalizati of the defaulting seller for the benefit of the buyer gives the latter practically the full profit of his successful 'cornering' operation. He does not dispute the principle that the defaulter should be penalized, but urges that it should not contribute to the profits of the speculati 'corner.' He proposes that it be paid to the Board of Trade. While Mr. Anderson's protest and suggestion are essentially technical, they touch upon the fundamentals of future trading. 'Corners,' in the sense of there being more of a commodity bought than can possibly be delivered within the prescribed period, can not, perhaps, be wholly avoided. All trading, as now conducted, is to an extent blind. Nor is it wholly in point that defaults in Chicago July delivery were intentional on the pa of the defaulting shorts. It is more to the point that these situations would be more readily apparent under the supervision of a clearing house The larger view of this whole matter is that the rules governing future trading are in need of such revision as will prevent these happenings. Every one of them, no matter how wisely or with what justice they may be handled by the officials of the Board of Trade, results in increased public antagonism, not only to the Chicago Board of Trade, but to the whole system of future trading. Admitting that correction of all of the

faults offers difficulties, it is yet true that none of them can be corrected without sincere and earnest effort. Such effort so far has not been made, nor is there promise that it is likely to be made. Why, its best friends wonder, does not the Board of Trade make at least a gesture of sincere intention to do those things which the public and the trade desire it should do? Does it believe that the reassembling of a Congress anxious to interfere is so far off that it need not be taken into present account? Or, perhaps, it is convinced that Secretary Jardine spoke without meaning and that he would not definitely cancel Chicago's authority to conduct future trading operations. Secretary Jardine is not a politician; the administration, of which he is part, has no present need to court the support of prejudice; yet the Chicago Board of Trade may so conduct its affairs that a direct resort to the authority of the Capper-Tincher act would win widespread approval.

Japanese Cotton Mill Strike

An Associated Press dispatch from Washington August 22 says: "A Commerce Department dispatch yesterday from Peking formally reported settlement of the strike in the Japanese cotton mills there, which was a starting point for much of the recent industrial disturbance in China. Approximately 50,000 strikers were involved. Under the settlement, the labor union will be recognized when a labor code is promulgated by the Peking Government. All future payments to workmen will be in silver dollars or their equivalent. The mill owners will give financial aid to needy workers. No workers will be dismissed without cause, and no foreman will be armed under ordinary circumstances."

Tropical Production

The Trade Record of the National City Bank of New York for August 24 says: "That the tropics have already begun to respond to the increased demands of the temperate zones is evidenced by the fact that the value of the exports of all tropical countries for which figures are now available, aggregates approximately 5-1/3 billion dollars in the latest year of record against but about 3¾ billions in 1913, and the increase in their imports shows a corresponding gain. The United States is vitally interested in the growth of the producing power of the tropics and in their power to absorb our manufactures in exchange, as is evidenced by the fact that our 1924 trade with that area shows big gains over 1914. Our manufacturers buy from the tropics a large proportion of the foreign materials which they use in their industries and pay for them whenever practicable with the products of their factories. Our own official figures indicate that our commerce with the tropical world increased 250% in the period 1914 to 1924, while our trade with the other part of the world increased less than 100% in the same period. The unexplored and yet undeveloped section of the tropics form a much larger percentage of their producing area than in the temperate zones. Nearly all of Latin America, all of Africa, and a large proportion of Australia lie within the tropical belt above outlined, and their great forestal areas, especially those of the Amazon and Congo Valleys are as yet but little developed."

Section 3
MARKET QUOTATIONS

Farm Products

Aug. 24: Chicago hog prices closed at $13.50 for the top and $11 to $13 for the bulk. Medium and good beef steers $7 to $14; butcher cows and heifers $3.80 to $12.50; feeder steers $5.75 to $8.75 and light and medium weight veal calves $10 to $13.25. Fat lambs $13.25 to $15; feedir lambs $14 to $15.50; yearlings $9.25 to $12.25 and fat ewes $4.50 to $8.25.

Watermelons barely steady. Georgia and North Carolina Thurmond Grays 22-30 pound average ranged $200-$300 bulk per car in Eastern cities Maryland and Virginia Tom Watsons and Thurmond Grays sold at $200-$280 per carload in New York and Philadelphia. New Jersey Irish Cobblers sold at $2.35-$2.85 sacked per hundred pounds in Eastern markets. Maryland and Delaware Salmon Tint and Green meat cantaloupes ranged 50¢-$1.25 per standard 45 in Eastern markets. New Jersey Elberta peaches ranged $2.50-$3.50 per six basket carrier in Eastern cities.

Closing wholesale prices on 92 score butter to-day: New York 43½¢; Chicago 41¾¢; Philadelphia 44¢; Boston 44¢.

Grain prices quoted August 24: No.1 dark northern Minneapolis $1.58-$1.72. No.2 red winter St. Louis $1.78-$1.82; Kansas City $1.75. No.3 red winter Chicago $1.70 3/4. No.2 hard winter Chicago $1.64 1/2-$1.66 1/2; St. Louis $1.67; Kansas City $1.66-$1.73. No.2 mixed corn Chicago $1.02-$1.03 1/2; St. Louis $1.00; Kansas City 95-97 cents. No.2 yellow corn Chicago $1.02 1/2-$1.04 1/4; St. Louis $1.01-$1.02; Kansas City 98 cents. No.3 yellow corn Chicago $1.01-$1.03 1/4; Minneapolis 94 1/2-95 1/2; No.3 white corn Chicago $1.01-$1.03 1/4. No.3 white oats Chicago 39-40 1/2 cents; St. Louis 40 1/2-41 cents; Minneapolis 36 1/2-36 3/4 cents. No.2 white oats Kansas City 41 1/4 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 16 points, closing at 23.11¢ per lb. New York October future contracts declined 15 points, closing at 23.23¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 24,	Aug. 22,	Aug. 24, 1924
20 Industrials	142.76	142.87	103.51
20 R.R. stocks	103.53	103.28	89.82

(Wall St. Jour., Aug. 25.)

DAILY DIGEST

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LIVESTOCK INDUSTRY

Glenn Griswold, Chicago correspondent of the Philadelphia Ledger, in to-day's issue says: "One of the constructive elements in the business situation to-day is the livestock industry, which is in excellent shape at this writing and promises to continue so throughout the year. Primarily, it is the farmer who benefits from advancing prices for livestock but, secondarily, the packing industry, which occupies an important place in the business machine, is likewise prospering. It is always difficult to size up the situation in the packing industry at this time of year and to make comparisons with the situation a year ago. Results in the packing industry depend largely on the prices received for stored pork products. It is true that these are going out at good prices at present, but there are still large quantities of pork products that have to be marketed during the next two months. The prospects for healthy business conditions during the next two or three months are very good, and this will undoubtedly mean a continued heavy demand and good prices, so that the outlook for finishing the season with a satisfactory profit on pork inventories is auspicious... Although cattle prices have been ranging higher than last year, the dressed-beef market has not risen in proportion, and it has been difficult for packers to make any money in the beef business. Other branches of the packing industry on the whole are doing well, and there is good reason to expect satisfactory results when the packers close their books for the year....The increase in hog and cattle prices is, of course, beneficial to the farmer, and it is estimated that his purchasing power, based on returns from livestock, will show an increase this year as compared with 1924."

CANADA FARM SALES

A New York dispatch to the press to-day says: "The Hudson's Bay Company, one of the largest land owners in Canada, reports an increase in the sale of farm lands and a decrease in the sale of town lots during the six months ended July 31. In the period covered by the report the company sold 71,297 acres of farm lands for 177,518 pounds, an increase of 46,240 acres and 107,019 pounds, respectively. Payment for the land is largely made on an installment basis, and the increased sales, it is reported, have not yet produced their full effect on the company's receipts, which were 67,459 pounds for the July quarter and 165,784 pounds for the last half-year period."

HAWAIIAN SUGAR CROP

An Associated Press dispatch from Honolulu to-day says: "Refineries calling for new Hawaiian sugar crop estimates will be told that the 1925 output will exceed 781,400 tons, the largest harvest in the history of the plantations."

Section 2

British Farm Subsidy

An editorial in Country Life (London) for Aug. 15 says: "The Special Committee of the Council of Agriculture for England entrusted with the task of framing proposals to guide the policy of the Minister of Agriculture has reported in favour of granting a subsidy for arable farming. However much the principle of subsidies may be disliked, we have to face the fact that in arable farming the returns have been distinctly unprofitable for the past few years. This has caused extensive laying down of arable land to grass, with a consequent reduction in the labour employed on the land and the substitution of a safer system of farming. It has meant a reduction in the food productive capacity of the land and greater dependence upon outside sources....What is, perhaps, unique in the recommendations is that the subsidy should apply to land under bare fallow or fallow crops instead of the customary proposals to guarantee prices, or to make a per-acre grant for cereals. An excellent feature in the new proposal is that it seeks to establish an era of good farming. The fertility of a great many soils depends largely upon their fallow year...The heavy cost of bare fallowing and fallow crops has been a very important factor in the decline of arable farming, and, on the face of it, there is considerable wisdom in a subsidy based upon the area of land rendered more suitable for the growth of satisfactory cereal crops. The amount of subsidy suggested is at the rate of 2 pounds per acre, which, based on rather less than one-fourth the area of the arable land, would, at first, cost in the neighborhood of 5,000,000 pounds for England and Wales. The proviso is made that not more than one-fourth of the total arable area on any particular holding should be eligible for the grant in any one year. That is to say the four-course rotation is taken as the basal one, and it is anticipated that the measure of help suggested would have the effect of bringing land back to arable cultivation, and thereby achieve the results which all parties in the State desire to see. The objection raised to a subsidy on cereals is that the unscrupulous farmer could, if he so wished, exhaust his land merely for the sake of the subsidy. This, however, is not possible under the present recommendations. That the proposed subsidy will be subjected to criticism of various kinds is a foregone conclusion. Mr. C. S. Orwin, who signed the report subject to reservations, is doubtful of the practicability of the scheme, partly on the ground that the average taxpayer, whose knowledge of good farming is usually limited, will object to payments made for land undergoing a rest from crops or only producing food for livestock. It is only fair to point out that it has also been a common mistake on the part of many farmers to look at the cost of the root fallow as applying to that particular crop alone instead of spreading the cost over the other crops in the rotation, all of which benefit. One point in particular which merits attention was raised by Sir Douglas Newton, M.P., who said that the rental, assessable or market value of the land ought to be taken into account. This introduces many issues. Generally speaking, the most fertile land is the most highly rented and the standard of farming of a high order. Such land bears the brunt of a depressed period better than poorer land, which is the first to go out of cultivation. Whether it would introduce too many complications to give most help where most needed is perhaps the greatest consideration, for a flat rate is easiest to administer. There are three partners in our present agricultural system--the landlord, the labourer and the farmer. The prosperity of all three is largely interwoven. If the farmer is unable to pay the standard wages, he is compelled to change his system of farming, and usually it is the labourer who suffers. As Lord Clinton, the chairman

of the Special Committee pointed out, farmers can not be blamed for this condition, having regard to unrestricted foreign competition and the heavy burdens which the State, by comparison, imposes upon our agricultural system. The menace of unemployment in the towns is sufficiently acute to call for action to prevent any further migration from the country to the towns. The Committee has outlined in the second part of its report various schemes whereby the industry may ultimately be made prosperous on a self-supporting basis; but the subsidy is only suggested as a temporary expedient until the effects of a more permanent policy are felt. The permanent policy concerns education, small holdings, improved credit, the better marketing and transport of produce, the steadying of prices, land drainage and liming."

Farm Outlook An editorial in The Washington Post of Aug. 24 says: "A few hard, cold, indisputable facts that percolated through the news of the last week tersely state the condition of the American farmer to-day. The agriculturist is buying farm implements and equipment for next year's work on a scale that has not been paralleled in years. He does not spend his money for the tools of his calling and devices designed to save labor and increase production at a time when he is in debt and can not meet the interest on the farm mortgage. The farmer may not be 'sitting pretty' in every sense of the word, but his situation is so vastly better than it has been for a long time that he looks into the future without fear. Tractors led farm equipment sales throughout the first half of this year, according to the research department of the National Association of Farm Equipment Manufacturers. Plow and tillage tool makers report the first half of the current year ahead of 1924. The tendency toward larger equipment to eliminate man and horse labor is more marked than at any time in the history of the tractor's development. Every industry identified with the manufacture and distribution of farm machinery reports unusual increases in its business, ranging from 20 per cent to 50 per cent during the first half of 1925 as compared with the same period a year ago. Farmers, undoubtedly, are preparing to till every available acre this fall and the coming spring. Prices of farm products have gradually increased and with the installation of labor-saving implements and the further development of cooperative selling agencies, the outlook for the agriculturist seems to be a most happy one, portending large crops, good prices and a season of unbounded prosperity, notwithstanding the gloomy forecasts made by some political pessimists."

Grape Embargo A New York dispatch to the press of Aug. 25 says: "Railroads throughout the East have placed their annual embargo on the transcontinental shipment of grapes to regulate the flow of that perishable commodity. Freight agents explained that every year at this time the flood of grapes necessitates curtailment of shipments to prevent heavy loss."

Paper from Grass Experiments with wild grass as paper-making stock proved highly successful in tests concluded yesterday at the Bureau of Standards. The material used, the bureau reports, was partially pulped esparto, a wild grass indigenous to southern Spain and northern Africa. The result of the tests were received with interest by the paper and printing industry, it was stated, the result showing esparto grass not alone makes a superior product for book making, but can be obtained more economically than several kinds of fiber now used. Samples of partially pulped esparto, used in the experiments, gave after cleaning, the bureau reports, a 60 per cent yield of paper-making fiber, the finished product being much stronger than soda pulp paper.(Washington Post, Aug. 25.)

Section 3
MARKET QUOTATIONS

Farm Products

August 25: Chicago livestock prices: Hogs, top $13.10; bulk of sales $11.10 to $12.90; medium and good beef steers $7.25 to $14.25; butcher cows and heifers $3.85 to $12.50; feeder steers $5.75 to $8.75; light and medium weight veal calves $10 to $13.25; fat lambs $13 to $14.85; feeding lambs $14 to $15.50; yearlings $9.25 to $12.25; fat ewes $4.50 to $8.25.

New Jersey Irish Cobbler potatoes ranged $2.45 to $2.85 sacked per 100 lbs. in most eastern cities, and brought $2.25 to $2.45 f.o.b. Northern and Central New Jersey points. Northern Round Whites ranged $1.90 to $2.05 on Chicago carlot market. Maryland Delaware Green Meat cantaloupes ranged 50¢ to $1.50 per crate in Eastern terminal markets. North Carolina and Georgia Thurmond Grays 24-30 lb. average, ranged $175 to $300 bulk per car in Eastern markets. Alabama sweet potatoes sold at $1 to $1.50 per bu. hamper in Chicago and Cincinnati. Tennessee Nancy Halls brought $1.65 to $2 per bu. in St. Louis and Chicago.

Grain prices quoted: No.1 dark northern Minneapolis $1.57 to $1.70. No.2 red winter St. Louis $1.73 1/2 to $1.80; Kansas City $1.73. No.2 hard winter Chicago $1.61 1/2 to $1.62; St. Louis $1.64 to $1.64 1/2; Kansas City $1.62 to $1.68. No.2 mixed corn Chicago 99¢; Kansas City 92 1/2¢. No.2 yellow corn Chicago 99 3/4¢ to $1.00 1/2; St. Louis 98 1/2 to 99¢; Kansas City 97¢. No.3 yellow corn Chicago 98 1/2 to 99 1/2¢. No.3 white corn Chicago 98¢. No.2 white oats Kansas City 39 1/4 to 39 1/2¢. No.3 white oats Chicago 38 1/2 to 39¢; St. Louis 40¢.

Average price of Middling spot cotton in 10 designated spot markets declined 23 points, closing at 22.88¢ per lb.; New York October future contracts declined 26 points, closing at 22.97¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 25,	Aug. 24,	Aug. 25, 1924.
20 Industrials	143.18	142.76	103.52
20 R.R. stocks	103.38	103.53	89.82

(Wall St. Jour., Aug. 26.)

DAILY DIGEST

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AGRICULTURAL OUTLOOK IN MIDWEST

An Associated Press dispatch from Chicago to-day says: "Two words beginning with 'B'--better and bumper--were the predominant note of reports from agriculture throughout the Midwest yesterday. Several sections reported bumper crops, many reported better crops, and all heard from reported better prices for farm products, but the high note was the report of better 'financial conditions,' which came from communities where early freeze and later drought severely damaged crops. In those sections, the farmers faced their ancient field enemies buoyed up by the prospect that better prices and better business conditions would more or less offset nature. Statistics compiled by the National Bank of Commerce of St. Louis stated that while, three years ago, a given quantity of farm products when exchanged for industrial goods, was worth only 68 per cent of its 1913 exchange value, now its worth was 97 per cent."

PUBLIC DOMAIN INVESTIGATION

A Salt Lake City dispatch to the press to-day says: "The subcommittee of the Senate Committee on Public Lands began yesterday its field investigation of the Nation's public domain problem, a problem involving the administration and utilization of a vast area of Federal-owned forest, prairies, Indian reservations, mineral lands and national parks in the eleven so-called public land States of the far West and Southwest. The investigation, in the opinion of the Committee, is of far-reaching importance to the country involving as it does, not only the rehabilitation and perpetuation of the western livestock industry, but the living problem of every family in the land. The hearings to-day were over the national cattle and sheep growing organization. The executives of those organizations declared that a situation exists the gravity of which the country at large has persistently refused to recognize. It was asserted that at this moment from 25 to 50 per cent of the cattlemen in the public land States are bankrupt and that of the remainder fully 90 per cent are laboring under a debt load, the further increasing of which would send most of them to the wall."

COFFEE FUTURES

A New York dispatch to the press to-day says: "Influenced by a firm market in Brazil, following recent reports of unfavorable weather for the start of the coming crop, prices in the coffee futures market here advanced sharply yesterday."

BRITISH UNEMPLOYMENT

An Associated Press dispatch from London to-day says: "The number of unemployed persons in Great Britain continues to mount. The increase last week, according to figures issued yesterday, was 29,000, bringing the total to 1,298,000."

Section 2

Agricultural "Revolutions"

An editorial in The Rural New-Yorker for August 22 says: "All over the country are sections, larger or smaller, where industrial revolutions are going on quietly and usually without great notice. These are the sections where farmers specialized on some one crop to the neglect of most others. Among such sections may be mentioned the tobacco-growing regions in the Connecticut Valley and the hop-growing regions in Central New York. In former years many farmers who grew these crops did not even attempt to produce the vegetables or fruits needed in their own homes. The coming of prohibition has greatly curtailed the demand for hops, and farmers have been forced to find new crops. In many cases a good substitute has been found in peas. There are bad seasons, but one year with another the peas pay fairly well and are not so hard on the land as hops. In one limited section of the Hudson Valley it was found that cauliflowers grow well, and a good many dairymen, disgusted with the milk situation, are giving up some of their cows and feeling their way into the new crop. Farmers in the Connecticut Valley grow a high quality of wrapper tobacco. Fashion and habit drive the public to the use of cigarettes and pipes, so that there is less demand for wrappers for cigars. This means that less land will be needed for tobacco, and new crops must be found. Farmers are trying out potatoes, garden truck, melons and similar products. They will finally strike something just suited to this rich tobacco land, and thus develop a full substitute. These things represent what we call silent industrial revolutions. They are starting everywhere, and there is no use trying to hold out against them. The change began years ago, when the cheaper grain and meat for the West began to flood in upon the East and monopolize the markets."

Air Transportation

A London dispatch to the press of August 22 stated that an airship milk route direct from Jersey dairy farms to London's central markets was announced August 21. The planes will also carry fresh vegetables. A service will be established between Channel island truck farms and the Covent Garden retail markets, whereby green stuffs, milk, butter and eggs may be on sale two hours after their arrival. The service will use swan-type planes, with Napier-Lyon hydroplane engines.

Farming Fundamentals

An editorial in The Country Gentleman for August 22 says: "Fundamentally farming and manufacturing have much in common. Both use raw materials, labor, capital and management to turn out a more or less finished product. Both are obliged to meet open competition, both have marketing problems to solve and both are likely to run into periods of overproduction. Nor does the similarity stop there. In manufacturing it is a well-known fact that success or failure hinges largely on four fundamental considerations: A location within easy reach of markets, near a plentiful supply of the principal raw materials, where there is an adequate supply of trained labor, and where power is cheap and plentiful. If a manufacturer ignores one of these fundamentals he is foredoomed to failure, because he will be unable to produce as cheaply as competitors who are more advantageously located. Farmers in locating their farms have seldom considered all these factors. They have looked for cheap land or fertile land or very often have been carried away by a spirit of romance and adventure and have planted themselves in isolated mountain valleys or on arid plains far from markets. Men who have thus pushed out on the frontiers are doing valuable pioneer work, but they have deliberately handicapped themselves at the start. They are in exactly the same

position as a manufacturer who would erect a great steel plant in Omaha or Wichita and attempt to compete with the steel plants at Gary, at Pittsburgh or at Birmingham. What can be done for the farmer who is unfortunately located? There is no simple answer. Cooperative marketing will not wipe out the handicap, neither will legislation. The problem is individual and can be solved only by ingenuity or good management if it can be solved at all. If the handicapped farmer can grow a high-quality specialty product or can increase his yields and decrease the costs of production sufficiently, or if he can grow a highly concentrated and valuable product, his location may not be a hindrance. If he can not arrive at some such solution only two courses of action present themselves--to go out of business or to accept a standard of living commensurate with his handicap. Those who believe that some sort of political program can be devised that will insure complete equalization of all farmers, regardless of climate, quality of land, efficiency of management or distances to market, are only fooling themselves. Whoever accepts a handicap in any race is obliged to race just a little faster in order to win. It would be much pleasanter to offer some ingenious scheme calculated to remove all the handicaps, but common sense will tell anyone it is impossible. We may just as well face the facts--even if they are unpleasant."

Railroad vs. Motor Transportation

An editorial in The Wall Street Journal for August 25 says:

"Slowly the tangled situation that has come to surround the bus-railroad rivalry is beginning to be solved,--as all assumed problems are in due time,--and the confusion dissolved. The lines both of legal equity and of economic sense become gradually clearer in the testing, disputing and working out of experimentation. Apparently there is not to be a complete revolution, in the way of usurpation or abdication. That conclusion is suggested by the finding of the Massachusetts utilities commission as to the rights it sanctions for the New Haven railroad to go into the motor bus business in southern New England. It grants permission for two important inter-city routes, with five others to come up for decision later. Local permits must come from communities traversed. The New Haven is adjudged to be the proper and logical enfranchised purveyor of transportation by oil and rubber where in earlier days it had been so commissioned--and held responsible--in terms of steam and steel rails. The economic wisdom of such selection of agency to accomplish the end of furnishing bus transportation would not seem to need much emphasis, when the recent career of some free lances in that field is recalled, so far as capability and reliability, technical or financial, might be concerned. Beyond that is the title of equity which the supervising commission notes. The New Haven, it is cited, had been long first in that field, and had steadily been the victim of the tendency to change. It had built up over the years a big business in passenger traffic which it was its right and duty to guard and conserve. It has tried all suggested expedients for linking oil and steam, such as gasoline rail cars. But all such expedients fail to cover the entire field. The motor bus is just now the obvious means for getting back some or all of the lost traffic and of protecting what still remains. That claim is emphasized by consideration of what the loss has been to stockholders during a period when their property was being devoted to public use and service without remuneration. Also by consideration of the heavy tax bill that the road has been paying all along into the public treasury. Most of all, the public can't afford to let the New Haven be crippled or perhaps destroyed as a carrier. To it the tilling of the new harvest belongs by virtue of both its own and the community's right and interest."

Section 3
MARKET QUOTATIONS

Farm Products

August 26: Chicago hog prices closed at $13.30 for the top, $11 to $12.90 for the bulk. Medium and good beef steers $7 to $14.25; butcher cows and heifers $3.85 to $12.50; feeder steers $5.50 to $8.75; light and medium weight veal calves $10 to $13.50. Fat lambs $13 to $14.85; feeding lambs $13.75 to $15.50, yearlings $9.25 to $12.25; fat ewes $4.50 to $8.25.

New Jersey sacked Irish Cobblers ranged $2.50-$2.60 per hundred pounds in Eastern cities; $3 in Boston. Minnesota sacked Early Ohios $2-$2.50 in midwestern cities, $1.85-$1.95 on the Chicago carlot market. Georgia and North Carolina Thurmond Grays declined $50-$100 at $200-$300 bulk per car in Eastern markets. North Carolina sweet potatoes yellow varieties sold at $3.50-$4.50 per barrel, Virginia yellows $4-$4.75; at Eastern shore points, Virginia $3.50 f.o.b. New Jersey Elbertas $2.75-$3.75 per six-basket carrier and bushel basket in Eastern cities.

Closing wholesale prices on 92 score butter to-day: New York 43 3/4¢; Chicago 41 3/4¢; Philadelphia 44 1/2¢; Boston 44¢.

Grain prices quoted August 26: No.1 dark northern, Minneapolis $1.55 1/2-$1.69 1/2. No.1 northern, Chicago $1.60, No.2 red winter, St. Louis $1.70-$1.74; Kansas City $1.72-$1.73; No.2 hard winter Chicago $1.58 1/2-$1.61; St. Louis $1.62; Kansas City $1.58-$1.69. No.2 mixed corn, Chicago 95 1/2-97 cents; Kansas City 89-89 1/2¢. No.2 yellow corn, Chicago 96-98 cents; St. Louis 97 cents; Kansas City 95 cents. No.3 yellow corn, Chicago 95 1/2-97 1/4 cents; Minneapolis 90-91¢. No.3 white corn Chicago 95 1/2-96 1/2 cents. No.2 white oats, Kansas City 39 1/4¢. No.3 white oats, Chicago 38 1/4-39 cents; Minneapolis 35 1/4-35 1/2¢; St. Louis 40 1/2-41 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 24 points, closing at 22.64¢ per lb. New York October future contracts declined 18 points, closing at 22.79¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 26,	Aug. 25,	Aug. 26, 1924
20 Industrials	141.88	143.18	103.58
20 R.R. stocks	103.08	103.38	89.81

(Wall St. Jour., Aug. 27.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 50 Section 1 August 28, 1925.

FREIGHT PLANE LINE

An Associated Press dispatch from Atlanta, Ga., to-day says: "The Atlanta Journal yesterday announced that Cornelius Vanderbilt,jr., and associates have purchased, or have under option 11,000 acres of land, near Atlanta, on which will be established the third largest commercial air base in the country. Mr. Vanderbilt, who is a member of the research council of the National Air Transport Co., is quoted as saying that the group represent the leading engineering and financial interests of the country. Many local men also have been assisting him. Development of the plans will require about five years. Facilities for the handling of dirigibles as well as airplanes, will be provided. Atlanta will be used as a center for lines which will run West by New Orleans and South through Florida to Cuba. 'Our planes will carry freight, express and mail, but no passengers,' Mr. Vanderbilt is quoted."

PUBLIC DOMAIN INVESTIGATION

A Salt Lake City dispatch to the press to-day says: "This was a lively day so far as the Senate Public Lands Committee is concerned. In two long sessions, one in the morning and the other this afternoon, the committee heard men prominent in the livestock industry of Utah denounce as a 'curse' the existing 640-acres homesteading law; they heard the Forestry Service subjected to bitter criticism, and even listened to a witness, a high official of the Utah Cattlemen's Association, seek to justify the shooting of herders and the driving of sheep over precipices by cattle men whose grazing lands in the public domain had been invaded by the sheep growers...The committee leaves tonight for Yellowstone Park, and will hold its first hearing there tomorrow morning."

IMMIGRATION PLAN

An Associated Press dispatch from Washington to-day says: "The Labor Department's new plan of examining prospective immigrants abroad, which was placed into effect several weeks ago in American consulates in Great Britain and the Irish Free State, has succeeded beyond the hopes of Secretary Davis, who returned home yesterday from a European trip. Declaring the new system has solved one of the greatest problems in the handling of immigrants, Mr. Davis expressed the belief that within a short time the plan will be extended to include all the principal countries of the world."

RUBBER SITUATION

A London dispatch to the press to-day says: "An easier feeling exists in regard to the supplies of crude rubber, but this must not be taken to indicate that all cause for anxiety is past. The more reassuring outlook springs from the fact that definite action on the part of the Government is anticipated that will either bring the operation of the Stevenson scheme to an end earlier than originally intended, or, alternatively, very drastically modify the restrictions on output in the interests of an increased supply. Although the Colonial Office stands resolutely by the scheme and its continued operation, and has been at some pains to justify its policy, the belief is current in the best informed circles in Mincing Lane that the Foreign Office will step in and insist on a sane solution of a difficulty that has given, and is continuing to give, rise to very acute resentment, international in its scope and effect."

Section 2

Canadian Wheat Exports

The New York Times for August 24 says: "Believing that more than 100,000,000 bushels of wheat in excess of last year's supply will be available for export in Canada this season, the Canadian National Millers' Association petitioned the Federal Government for an export tax on wheat shipped to the United States to be milled for export to European markets. The matter was referred to the Royal Grain Inquiry Commission, which has just filed its report finding that Canadian wheat, ground in American mills, enters into competition with the output of Canadian flour mills, as the result of which the Dominion loses the benefits of manufacture. The report suggests that in view of these conditions an export duty should be levied at the same rate as in the American tariff on Canadian wheat and wheat products entering the United States. The commission states that it deprecates export duties generally, but believes that the exceptional situation justifies the impost....A Canadian Pacific Railway bulletin makes the following comment on the report: 'Because the quality of Canadian wheat makes it greatly desirable for milling purposes, other milling countries can offer the Dominion effective competition only through the use of Canadian wheat in their manufactured products. It is the unlimited supply at her command which has built up Canada's manufacturing and export industry to its present great importance. Effective measures to keep Canadian wheat at home would practically eliminate competition in high-grade flour.'"

Freight Rates

An editorial in The Prairie Farmer for August 22 says: "The western railways have reduced their request for an increase in freight rates from 11 to five per cent. They can get by on a five per cent increase although they will earn less than the amount allowed by law, according to Vice-President Johnson of the Northwestern. He says that a five per cent increase is absolutely necessary if service is to be maintained. President Sargent of the Northwestern calls attention to some of the causes of the difficulties of the western railways. One of these is the Panama canal, which cuts heavily into the coast business of the railways. Coastwise shipping uses the canal free. Taxpayers pay the cost of operating the canal. 'Taxpayers pay more per ton mile to put freight through the canal than they are paying in rates per ton mile on the railroads', says President Sargent. He also calls attention to truck and bus competition. Railroads pay for their own roadbed and pay taxes on it. Trucks and buses operate on a free public roadbed and pay only nominal taxes. These things can be remedied, and should be if we are not to face a steadily ascending scale of freight rates. Without disputing the railroads' need for more revenue, farmers might well ask for a readjustment of the whole freight rate structure. A study of preferential rates in favor of large cities and large industries would bring out some interesting facts. Railroads must have the necessary revenue to enable them to operate efficiently. We do not believe that it should come from farm products. It is quite likely that the removal of unfair competition and a readjustment of preferential rates will give the railways the money they need without placing a heavier freight burden on agriculture."

German Agricultural Credit

The German Rentenbank, created in November, 1923, as a transition bank of issue, has been reorganized and is now the Central Credit Institute for German Agriculture. Initial capital is 180,000,000 marks. In the next seven years 25,000,000 marks every year are to be added annually to the capital. There are prohibitions against the acquisition of domestic credit, acceptance of deposits and direct credit extension. Credit

must be given through subsidiary institutions which must be fully protected by a mortgage on domestic agricultural real estate. The Rentenbank is authorized to contract foreign credits up to a total of 1,800,000,000 marks and to extend this credit through subsidiary agricultural credit institutions. The Rentenbank is free of all federal, State and communal taxes not imposed upon agricultural credit banks and it is free from all incorporation taxes. (Wall Street Journal, Aug. 26.)

Wheat Acreage John F. Fennelly, writing in Commerce and Finance for August 26 says: "The Department of Agriculture has just issued a report stating that the intended winter wheat acreage for this fall is 46,411,000 acres, an increase of 4,094,000 acres, or 9.7 per cent over the winter wheat acreage sown last fall in the United States....To the casual onlooker this increase may seem to indicate a further step toward permanent agricultural prosperity in the United States. To the informed observer, however, it will show a lapse from sound economic policy and a possible loss of much of the ground gained by our farmers during four years of painful deflation. Secretary Jardine has been urging strenuously for some time past the necessity of putting agriculture on a sound business basis, and now the wheat growers appear to be flying directly in the face of the most elementary of business principles. No successful business man would dream of expanding his plant capacity irrespective of the probable demand for his product. And yet this is exactly what our wheat growers seem to be doing. It is clearly beyond the scope of a Government body, such as the Department of Agriculture, to urge restriction of wheat acreage, but the lesson implied in this report is so clear that the wheat farmer will have no one but himself to blame if he chooses to ignore the inherent danger involved in expansion of acreage under present conditions. It almost seems as though two years of prosperity, attained not by foresight, but chiefly by good luck, had been sufficient to make our wheat growers forget entirely the painful lessons of the three previous years....The application of business principles to agriculture means above all else the proper adjustment of production to demand, and not the reckless planting of a huge acreage merely because prices have been abnormally high during the past twelve months. The wheat farmer should realize that his present prosperity is the result of good fortune rather than of shrewd business foresight, and that he is clearly gambling with fate if he expects this good luck to continue forever. If, as appears indisputable to the writer, wheat farming in the United States can not be permanently stabilized until production coincides closely with our own domestic requirements, the intended winter wheat acreage is at least 20 per cent too large. Our annual domestic requirements are calculated approximately at 625,000,000 bushels and an average yield on the present winter wheat indications would almost meet our entire national needs, without taking the spring wheat crop into consideration at all. Price stability does not seem likely under such conditions. It is not necessary to advocate a monopolistic combination among our farmers for the purpose of holding up the price of wheat, even if such a combination were economically feasible. The past two years have shown, however, that the whole Nation prospers when the wheat growers are making money. And our farmers, except under unusual circumstances of abnormally low cost of production, are not going to prosper if they insist on raising a huge surplus for export. If American farm leaders would start a campaign to effect a 15 or 20 per cent reduction in the winter wheat acreage to be sown this fall, they might do more for agriculture than they could by all the 'radical' legislation yet suggested. Business principles in agriculture imply diversification, but, say the agrarian

leaders, diversification is a slow and difficult process requiring a great deal of capital and labor. This is undoubtedly true, but the present affluence of our agriculturists permits a degree of diversification that was entirely out of the question two years ago. The lesson of the past four years is too self-evident to be overlooked by even the most ignorant."

Section 3
MARKET QUOTATIONS

Farm Products

August 27, 1925: Chicago hog prices closed at $13.45 for the top; $11 to $13 for the bulk; medium and good beef steers $7 to $14.40; butcher cows and heifers $3.85 to $12.50; feeder steers $5.25 to $8.75; light and medium weight veal calves $10 to $13.50; fat lambs $13 to $15; feeding lambs $13.50 to $15.50; yearlings $9.25 to $12.25; fat ewes $4.50 to $8.25.

Potato prices slightly lower. New Jersey sacked Irish Cobblers ranged $2.35 to $2.65 per 100 lbs. in Eastern consuming centers; $2 to $2.35 f.o.b. New Jersey points. Northern Round Whites $1.90 to $2.15 in Chicago. New Jersey Elberta peaches ranged $2 to $3.50 per six-basket carrier and bushel basket in terminal markets. Watermelons declined. North Carolina and Georgia Thurmond Grays 25-30 lb. average sold at $175 to $240 bulk per car in Eastern cities. Sweet potatoes weaker in most markets. Virginia yellow varieties $4.25 to $4.50 per bbl.; reaching $5.25 to $5.50 in Pittsburgh. Colorado Iceberg type lettuce lower at $2 to $3 per crate; $1.75 to $2 f.o.b. Colorado points.

Grain prices quoted: No.1 dark northern Minneapolis $1.56 to $1.71. No.2 red winter St. Louis $1.71 to $1.75; Kansas City $1.72 to $1.73. No.2 hard winter Chicago $1.58 1/4 to $1.60; St. Louis $1.63; Kansas City $1.60 to $1.67. No.2 mixed corn Chicago 93 1/4¢ to 94 1/4¢; Kansas City 88 1/2¢. No.2 yellow corn Chicago 93 3/4¢ to 95 1/2¢; St. Louis 95¢; Kansas City 93 1/2¢. No.3 yellow corn Chicago 93 to 94¢; Minneapolis 91 1/4 to 92 1/4¢; No.3 white corn Chicago 92 1/2 to 94¢. No.3 white oats Chicago 37 3/4 to 39¢; St. Louis 40¢; Minneapolis 35 7/8 to 36 1/8¢. No.2 white oats Kansas City 39 to 39 1/4¢.

Closing prices, 92 score butter: New York 44 1/2¢; Chicago 42 1/2¢; Boston 44 1/2¢; Philadelphia 45 1/2¢.

Closing prices on Wisconsin primary cheese markets August 26: Daisies 22 1/2¢; Young Americas 22 1/4¢; Longhorns 22 3/4¢; Square Prints 23 1/4¢.

Average price of Middling spot cotton in 10 designated markets declined 6 points, closing at 22.58¢ per lb.; New York October future contracts declined 1 point, closing at 22.78¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 27,	Aug. 26,	Aug.27,1924
20 Industrials	141.54	141.88	103.23
20 R.R. stocks	102.88	103.08	89.85

(Wall St. Jour., Aug. 28.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 51 Section 1 August 29, 1925.

JOINT STOCK LAND BANK CONVENTION Delegates from fifty-six joint stock land banks will attend the seventh annual convention of the Joint Stock Land Bank Association, to be held in Colorado Springs, Colo., September 1 to 3. The most important subject to be discussed will be ways and means to reduce the interest rate on loans to farmers. This rate has been reduced to 6 per cent in recent years, and the Joint Stock Land Bank Association now aims to bring about a further reduction to 5½ per cent and eventually to 5 per cent. (Phila. Public Ledger, Aug. 29.)

AGRICULTURAL SITUATION An editorial in The Washington Post to-day says: "Conditions among the farmers are so much better, according to reports from the West and Northwest, that there is a continually growing demand for good farm lands. This demand, it is said, is principally from men who two years ago, when the agricultural depression was at its height, sold their farms and moved to the city. The hard times among the farmers began in 1921 but did not reach an acute stage until two years later, when wheat sold under a dollar a bushel. This year corn, cotton and livestock are in better shape than for several years. Six weeks ago official estimates indicated the cotton crop would fall considerably short of normal, but conditions have improved materially in the last few weeks and the crop promises to be much better than had been expected. In some sections of the South agricultural conditions are not so good, notably in Tennessee, parts of Kentucky, North and South Carolina and Virginia, where a severe drought has continued unabated for many weeks. Without food or water to provide for their stock, farmers are selling their cattle. Happily, this condition affects only a small percentage of the farmers. It is in the western and northwestern agricultural region that conditions have improved so greatly that the farmers are beginning to wear a smile of contentment. Residents of cities ordinarily give little attention to the condition of the farmers, although it should be patent to every one that the prosperity of the urban population is dependent in large measure upon the prosperity of the farmer....The administration has indicated that farm legislation of some character will be included in the recommendations to be made by the President in his opening address to the Congress. Mr. Coolidge has been giving diligent attention to the reports made to him by men who are presumed to know something about the farmers' needs, as he has to all other questions that engage the attention of the country. Whatever may be the temper of Congress relative to farm legislation, it is gratifying that conditions among the agriculturists are on the upgrade and that there appears to be no danger of a repetition of the serious situation that existed in 1923."

FREIGHT PLANE SERVICE An Atlanta, Ga., dispatch to the press to-day says: "Cornelius Vanderbilt,jr., to-day announced that the commercial air base he and associates have planned for Atlanta will be used by the Navy's dirigibles, the Shenandoah and Los Angeles, in the event the two ships are leased by the Government to a company in which John Hays Hammond,jr., and Owen D. Young are interested."

Section 2

Farm Problem

An editorial in The Oklahoma Livestock News for August 24 says: "From the most ancient times until now philosophers have wrestled with the problem: What is truth? It is as great a problem to-day as ever. Another problem of the ages seems to be the real truth in regard to the condition of farming and farmers. 'Most of the opinions on the subject seem to have been formed from a survey of immediately surrounding conditions or to have been expressed with some ulterior purpose in view,' declares the Omaha Journal-Stockman and says: 'For instance, we have prominent bankers, statesmen and agricultural economists who point with pride to the prevailing good prices for farm products, the wiping out of debts, the purchase of farm implements, the improvement of farmsteads and other tangible evidences of better times. These men say the farmers are recovering from three to four years of severe depression and are enjoying a period of prosperity that will soon place agriculture in a most enviable position. 'Then there are equally prominent and well informed men who hold the opposite view. Former Governor Lowden of Illinois told an eastern audience not long ago that 'our agriculture is decaying. Farm bankruptcies in recent years have increased more than 600 per cent. According to the Department of Agriculture, the average farmer could have obtained a larger income since 1920 if he had hired himself out as a hired man. In considerable portions of the agricultural area farms can not be sold for the value of the improvements alone.' 'When the doctors disagree so radically it is difficult for the rest of us to arrive at a correct opinion as to the facts. It seems to depend pretty much on the individual point of view, and perhaps Governor Lowden's pessimism is due to the fact that he is an extensive dairyman and it is well known that just at that particular time the dairy business was the poorest it has been for many years. At all events the ancients found no more difficulty with their problem, What is truth? than we modern folks are finding with our own problem: What is the matter with farming?'"

Freight Loadings

An editorial in The Magazine of Wall Street for August 29 says: "Weekly car loadings have passed the million weekly mark about six weeks ahead of the usual time. With the crop-moving season just ahead, it seems that the record for freight car movements will be broken. As a whole, the carriers are in for the most brilliant period of their history since 1916. Most encouraging of all, the Northwestern roads, as indicated in another article in this issue, should be greatly aided by what appears to be a certainty of a rate increase. With this large and important group of roads again in a position to make a satisfactory earnings showing, the railroads of the country, with only a few exceptions, seem to be in a solid position. This should improve the credit of the roads and pave the way for new financing through sale of stock, something which has been sorely needed by the carriers for a number of years, as their funded debt has increased greatly out of proportion to their financial strength."

Wheat Exports

An editorial in The Chicago Journal of Commerce for August 21 says: "In his optimistic forecast of the financial returns of this year's wheat crop, Gray Silver predicts a larger surplus for export and carryover than do most wheat experts. He predicts 44,000,000 bushels. Even if this forecast proves true, the exportable surplus will be small enough to give the farmers a good price. The larger the exports, the greater the depression in the world price. In addition there is this possibility--that before the crop year is over, it may be discovered that the American market alone will consume all the wheat that is available for consumption, a reasonable amount of the product being kept for carryover. Such a

development would place wheat on an entirely domestic basis. If the domestic demand were larger than the domestic supply, prices would rise. No foreign supply would be available. The forty-two cent tariff would keep it out. Before foreign wheat could enter, the domestic demand would have to be so much greater than the domestic supply that the price in this country would rise to more than forty-two cents above the world price. Only then would it be profitable to send foreign wheat into the American market. Matters will have come to a remarkable pass indeed if America becomes an importer instead of an exporter of wheat."

Section 3
MARKET QUOTATIONS

Farm Products

August 28, 1925: Chicago hog prices closed at $13.50 for the top and $11.20 to $13.20 for the bulk; medium and good beef steers $7 to $14.25; butcher cows and heifers $3.75 to $12.50; feeder steers $5.25 to $8.75; light and medium weight veal calves $10 to $13.50; fat lambs $13.25 to $15.25; feeding lambs $13.50 to $15.50; yearlings $9.25 to $12.25; fat ewes $4.50 to $8.25.

New Jersey sacked potatoes, Irish Cobblers, ranged $2.35 to $2.65 per 100 lbs.; $3 in Cincinnati. Northern Round Whites slightly higher at $2 to $2.25 on Chicago carlot market. East Shore Virginia sweet potatoes, yellow varieties, ranged $4.25 to $5.50 per bbl.; reaching $5.75 to $6 in Pittsburgh; $3.50 to $3.75 per bbl. at f.o.b. Virginia points. Colorado Salmon Tint cantaloupes ranged $1.50 to $2.25 per standard 45 in terminal markets. North Carolina and Georgia watermelons, Thurmond Grays, 24-30 lb. average, ranged $160 to $275 bulk per car in New York and Pittsburgh.

Grain prices quoted: No.1 dark northern Minneapolis $1.57 to $1.72 1/2. No.2 red winter St. Louis $1.73 to $1.74; Kansas City $1.74 to $1.75. No.3 red winter Chicago $1.67. No.2 hard winter Chicago $1.58 1/4 to $1.59; St. Louis $1.62 1/2 to $1.63; Kansas City $1.63 to $1.70. No.2 mixed corn Chicago 94 1/2 to 96¢; St. Louis 93¢; Kansas City 88 to 89¢. No.2 yellow corn Chicago 94 3/4 to 96 1/2¢; St. Louis 95¢; Kansas City 95¢. No.3 yellow corn Chicago 93 3/4 to 95 1/2¢; Minneapolis 89 3/4 to 90 3/4¢. No.3 white corn Chicago 93 3/4 to 94 1/2¢. No.3 white oats Chicago 38 3/4 to 40¢; Minneapolis 36 5/8 to 37 1/8¢; St. Louis 40 1/2¢.

Closing prices, 92 score butter: New York 44 3/4¢; Chicago 42 1/2¢; Boston 45¢; Philadelphia 45 1/2¢.

Closing prices on Wisconsin primary cheese markets August 27: Twins 21 1/2¢; Daisies 22 1/2¢; Double Daisies 22¢; Longhorns 22 3/4¢; Square Prints 23 1/4¢.

Average price of Middling spot cotton in 10 designated spot markets declined 24 points, closing at 22.34¢ per lb.; New York October future contracts declined 22 points, closing at 22.56¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 28,	Aug. 27,	Aug. 28, 1924
20 Industrials	141.13	141.54	102.62
20 R.R. stocks	102.80	102.88	89.48

(Wall St. Jour., Aug. 29.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 52 Section 1 August 31, 1925.

ROADS DELEGATES IN WASHINGTON The press states that the United States delegation to the Pan American Congress of Highways to be held at Buenos Aires next month, will meet at Washington to-day to take their leave of Government officials. The delegation, headed by Herbert H. Rice, of Detroit, director of the National Automobile Chamber of Commerce, will visit Secretaries Kellogg, Jardine and Hoover, all of whom have a direct interest in the success of the conference. The party will leave New York Thursday. Stop-overs will be made at the principal ports of Panama, Peru and Chile. Representatives of a number of motor and machinery industries will accompany the party. The conference begins October 3. The party is composed of Charles M. Babcock, Minnesota Commissioner of Highways; Frank Page, chairman, North Carolina State highway Commission; Thomas H. MacDonald, Chief of the Federal Bureau of Public Roads; Dr. Guillermo A. Sherwell, secretary general of the inter-American Highway Commission; Representative William E. Hull, of Illinois; Dean A. N. Johnson, University of Maryland, and Pyke Johnson, Washington, who is executive secretary of the delegation.

STANFORD TO TAKE BURBANK'S WORK An Associated Press dispatch from San Francisco to-day states that the horticultural experiment work of Luther Burbank, aged plant wizard of Santa Rosa, Cal., will be taken over by Stanford University, which will raise an endowment fund to secure perpetuation of Burbank's services for humanity. Burbank's gardens, near Sebastopol, will be taken over by the university. The development of plant hybrids will be continued under Burbank's direction as long as he desires to remain active in the work.

CARS FOR GRAIN CROPS Calling attention to the necessity for continuing an effective distribution of box cars to meet the country's demands in the movement of the grain crop, the Car Service Division of the American Railway Association has written a letter to all railroads, analyzing the situation as follows: "Grain loading to date has progressed satisfactorily, with little strain on the box car supply of the country. Winter wheat movement has been considerably below last year, due both to a smaller crop and to more moderate marketing. It seems reasonably certain that similar conditions will not prevail in the Spring wheat movement from the Northwestern States now getting under way. The crop will be smaller than last year, but the reduction is comparatively much less than in the case with Winter wheat. With wheat this year on practically a domestic basis, little export demand has developed or is expected. ....." (Press, Aug. 31.)

BREAD TRUST INQUIRY DEMANDED An Associated Press dispatch to-day states that the Peoples Legislative Service yesterday made public a letter to the Federal Trade Commission demanding prosecution of the "bread trust" investigation ordered in a Senate resolution sponsored by the late Senator La Follette.The communication, signed by Basil M. Manly, director of the service, said he had been informed that the commission had decided not to conduct certain investigations provided for in Senate resolutions by Senators Norris, Shipstead and La Follette.

Section 2

Airplane Transportation

An editorial in The Herald-Tribune for Aug. 12 says: "'The United States,' in the opinion of Mr. Hoover, 'is just on the threshold of aviation as a practical transportation system.' It is a threshold upon which, in spite of the devoted efforts of aviation enthusiasts and the military services, we have been hovering very tentatively indeed for a long time. It has always seemed a little queer that the nation whose open spaces demanded the invention and development of the telegraph and the telephone, which pioneered in cheap long distance rail transportation, which has embraced the radio and even insisted upon such minor novelties in communication as the electrical transmission of pictures, has made so little commercial use of the one instrument which ought to fit so well with our geography and our alleged passion for speed. But in the last six months the aerial age has come much nearer; Mr. Ford has proved himself unable to resist the temptation of buying up the plant with which his son has been experimenting and bringing his peculiar genius to bear on the question of commercial airplane lines, while Mr. Hammond's proposal to lease the Los Angeles as the experimental precursor of a dirigible fleet seems the likeliest step which has yet been taken toward utilizing the navy's excellent work on the gas bags....There are about 20,000 miles of commercial airplane lines now being operated in the world, which is not far from a tenth of the total railroad mileage in this country. Our postal lines are about all that we can claim, and Mr. Ford's about the only promise for the immediate future. We have lacked the incentive which Europe has found in the strategic problem; it is probable that the high efficiency of our existing communication systems, coupled with the lack of aerial regulation and uncertainty as to Federal policy, has hindered the American development. But there is less and less doubt that the development is coming."

Bakery Merger

An editorial in The Northwestern Miller for Aug. 26 says: "Stock market gossip, never too dependable, but worthy of at least half an ear when voiced by the Wall Street Journal, forecasts the consolidation of at least two of the great bakery combinations, with more than a chance that three of them will ultimately come together in a gigantic 'bread trust.' A fourth, more recently formed and strengthened last week through the absorption of a Chicago company which was formerly a unit of one of the smaller combinations, doubtless is regarded as a more distant but equally sure objective of the conquering merger manipulators--the greedy Alexanders of the baking industry. Thus is the dream of the six hundred million dollar trust, announced hardly more than a year ago, rapidly being realized. How far it may go, how much the public will resent it, how much it will dare in the face of that resentment, is yet to be made known. The one thing certain is that, up to now, those whose aim is to encompass the entire baking industry and bring it to ruin as an independent industry have paid no attention whatever to the public interest. Nor is it so far apparent that there is any need that they should do so, for, aside from newspaper headlines for a few weeks and a minor fulmination or two in Congress, the bread consumer and the industries whose future wellbeing are alike imperiled by the plans of the 'baking trust' are equally unconcerned. ....The six hundred million dollar dream of a few months ago is no less preposterous now than it was then. Yet it is undoubtedly more nearly being made manifest in the flesh. It will not, perhaps, reach its full proportions, although, if the wind and water hold out, even that is not impossible. The mere fact that all of the bakeries in the country are not worth that much money is of little or no moment. If they can be made worth

that much by ability to take toll--a few millions from millers and a great number of millions in the form of a cent or even a fraction of a cent on each loaf--the purposes of their organizers will be fully accomplished."

Boll Weevil and Diversification

An editorial in Manufacturers Record for Aug. 27 says: "From many points of view the boll weevil has been a blessing to the South. It has saved this section from committing economic suicide by increasing its cotton production to the point where bankruptcy would have been the inevitable end of the whole cotton-growing business. The boll weevil has brought the farmers of the South straight up against this proposition, and it has caused many of them to turn from all-cotton to diversified agriculture. Viewed in the large, it is not surprising that the people of Livingston, Ala., erected in the public square several years ago a monument to the boll weevil. What the boll weevil did in changing the agricultural activities in southern Georgia and northern Florida is shown in a story from Valdosta, Ga., which tells how, out of poverty, prosperity has been wrought by the growing of tobacco where once cotton held sway and practically enslaved the farmers. Tobacco has now become one of the staple crops of that section, and fortunately its acreage is somewhat necessarily limited on each farm, and this increases the tendency to diversification. In the Valdosta section, for instance, where the boll weevil whipped the cotton growers, tobacco has now whipped the boll weevil. All over the South similar conditions are coming to the front. Until this section freely diversifies its agriculture, and finds new things besides cotton on which to base its farming interests, there can not be the general prosperity which should prevail. But where industrial development makes possible a home market for all the diversified products of the farm there is a limitless field for agricultural prosperity. Tobacco growing in south Georgia is one way in which this movement is doing good."

Cooperative Marketing

An editorial in The Northwestern Miller for Aug. 26 says: "When the market price of any commodity varies from day to day and month to month, either as the result of supply and demand or of artificial forces, there is no such thing as a nonhazardous system of selling. The seller may have good fortune and sell at the high point, or ill fortune and sell at the low. Selling a little every month or every day will not change this, for the high price may last only through one month out of the twelve or a few days out of the year. The element of chance is certain to be present and can not be disposed of by any system, whether it be through simple pooling, the fiction of holding back the commodity to force a higher price, or any other scheme. Cooperative marketing is, no matter what form it assumes, merely a co-ordination in taking chances which the individual marketer otherwise would take for himself. Pools succeed when they have the good fortune to sell a majority of their pledged commodity on a high market; they fail when conditions take a contrary course. There is no great harm in them so far as the grower is concerned. It is merely a question as to whether or not he is willing to pay toll to have some one else, presumably better informed than he, make decisions for him. On the other hand, they are not likely ever to do him any great good, for, on the average of a number of years, his own selection of the time to sell will doubtless work out as well as theirs."

Farmer Aid

Hugh J. Hughes, writing in Nation's Business for September says: "It is quite apparent that in the press and on the platform there is a marked falling off of interest in the problems that confront the farmer. A study of recent farm legislation, State and national, both that attempted and that put upon the statute books, looks in the same direction. Observers of the cooperative movement take note of the fact that the semi-religious fervor attending the organization of cotton, tobacco and like sales organizations has measurably died down. All this is but saying that another fad is nearing its end. This generation can remember the case of the 'down-trodden workingman.' The workingman still exists, but we have ceased to lose sleep over him. We may recall that the flaying of the trusts was everybody's business twenty years ago. Larger trusts with longer tentacles than those of old no longer frighten any save the most timorous-souled among us. More recently we have had with us, for the delight of the alarmists, the farmer. I wish to separate in the mind of the reader the outcries and alarms and dire forebodings relative to the farmer and the farming business from the actual business and social problems of the farmer. Men and women whose avocation in life was and is the discovery of something that is wrong with the world figure rather prominently in each of these movements I have named. I am not calling their sincerity into question. I am only stating the fact that the business of a reformer is reform. He must find something wrong with the world or lose his job. And he must hold his following or else cease to be a leader. Any given problem in human affairs is good for only so much publicity, so much stump oratory, so much pay-as-you-go agitation....It is this hue and cry that has been pressing its service upon the farmer. That interesting being was discovered to the public at large during the war. He became a topic of national concern. He was first-page news. He was good for an hour's pulpit oratory. Commercial clubs and women's clubs took him up. And then something happened. Right when he was the sheik at the matinee the war stopped, the explosive effort of the world to wage globe-circling war and feed itself at one and the same time was followed by collapse of buying power, and the hero of the morning became the chained debtor of the afternoon. It was all quite like a comedy--to the group of professional aiders, not to the farmer. Here was stark, staring tragedy. Here was a great industry, an industry beloved and honored, hurled down into disaster.....And the farmer himself? He has a hard pull of it. And the turn of the road is not yet made. But again we need to be careful. There are prosperous farmers even to-day. There are farmers who never will be or can be prosperous. There are groups, as that of the livestock industry, where the future, taking into account a number of years to come, looks tolerably bright, just as there seems to be little place at the prosperity table for the specialized grain grower. The farmer is not quitting. He is not thinking of quitting. He is slogging along. He will keep right on slogging along for years after his advisers, uplifters and critics have joined the next uplift crusade. The American farmer, together with the Canadian, is already, and long since, the most efficient producer of food in the world. His production per man enables him to set a high standard of American farm living. When the time comes, and the need, he can lift the production per acre as required. In the meantime he is learning something about finance, and something about the marketing of his own products, and something about legislation. He has not found a cure-all for his ills, social and economic, nor does he expect it. He is solving most of his problems by hard work and applied common sense."

Section 3

Department of Agriculture

An editorial in American Forests for September says: "Trees or livestock? Which shall dominate the National Forests? That is one of the issues lurking in the background of the advancing offensive of western stockmen against the Forest Service. This offensive is now gathering its forces in the West preparatory to a great drive for legislation in Congress this winter. Some stockmen already have openly thrown their cards on the table for property rights in the grazing lands of the National Forests. And if that right is vested in a special class of favored individuals by act of Congress, conservationists foresee a breakdown of the National Forests. It is doubtful if western stockmen as a whole will press as a clear cut issue a demand for what amounts to a conversion of public property rights to private gain, not because they would not relish a legal title to the forage in the National Forests, but, because they foresee the improbability of success."

Section 4

MARKET QUOTATIONS

WEEKLY REVIEW

Farm Products

Chicago hog prices ranged from 20 to 60¢ lower for the week ended August 29; medium and good beef steers steady to 50¢ higher; butcher cows and heifers 10¢ lower to 25¢ higher; feeder steers 25 to 75¢ lower; light and medium weight veal calves 25 to 50¢ lower; fat lambs steady to 25¢ lower; feeding lambs steady to 50¢ lower; yearlings 25¢ lower; fat ewes steady.

Potatoes nearly steady. Minnesota Early Ohios $2 to $2.40 midwestern cities. Sweet potatoes declined in most city markets. Tennessee Nancy Halls sold at $1.35 to $2 per bu. hamper in midwestern cities. California cantaloupes, Salmon Tints, sold 25 to 50¢ lower at $1. to $1.50. Delaware and Maryland Salmon Tints 75¢ to $1 in New York City. Southeastern watermelons lower. Delaware, Maryland and Virginia Excells brought $125 to $135 per car in Philadelphia and 35 to 40¢ unit basis in Boston.

Grain markets sharply lower for week. Private reports indicating larger Canadian crop together with small export demand and increased receipts of spring wheat weakening factor. Winter wheat firm in cash markets with receipts light and demand active. Corn future prices lowest on crop but cash grain fairly steady with demand limited. Oats lower but demand active particularly in Southwest.

Butter markets following a more certain trend, and the tendency at the close of the week is firm. Current storage increase running somewhat heavier than last year at this time, and this together with anticipated heavy fall production has caused some uneasiness. Prices average about 5 to 6¢ above a year ago.

Cheese markets weaker and lower, declines of fully 1¢ occurring on Wisconsin Boards at the close of the week. Trading light apparently due to price uncertainty.

Hay market generally weak with demand light. Good pasturage in many sections restricting consuming demand. Market lower at Cincinnati where receipts have increased.

Millfeed markets steady with sufficient demand to keep prices from declining. Inquiry for wheatfeeds slow but there is no pressure to sell. Immediate and prompt shipment in fair request. Gluten meal reduced another $2 per ton.

Average price of Middling spot cotton in 10 designated spot markets declined 94 points for the week; New York October future contracts declined 79 points. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XVIII, No. 53 Section 1 September 1, 1925.

BUSINESS CONDITIONS

The general business outlook continues satisfactory, with activity well maintained, according to surveys issued yesterday by the National City Bank and the American Exchange-Pacific National Bank. Both banks agree that further expansion is indicated for the coming months, but they emphasize the fact that no change has occurred in buying methods, which continue on a hand-to-mouth basis. The National City Bank, in its review, says: "Pessimism has been fading out since the crop prospects began to improve in the latter part of May, and confidence is now well established, although not aggressive enough in trade circles to work any pronounced change in buying policies. The opinion prevails that conditions are favorable to a large volume of business this fall--probably the largest ever handled--but the productive capacity of the country is now thought to be so large in all lines that there is no uneasiness about ability to get goods as wanted or at the present price level. This continued absence of the speculative spirit in the goods market is the dominating feature of the commercial situation and also of the credit situation. Money is slightly firmer than a month ago, and doubtless the demand will strengthen as business gets into the fall season, but a mere increase of the volume of goods in distribution does not ordinarily cause any very pronounced increase in the use of credit. A state of monetary ease exists over the country, partly the result of the liquidation of slow paper which has been going on during the past year. It is true that all of these funds are employed in some way and that a withdrawal of funds from the centres might quickly affect quotations, but the low discount rates of the Reserve banks forbid the idea of any very tight situation." (N. Y. Times, Sept. 1.)

DAWES PLAN'S FIRST YEAR

The press to-day states that the United States has received a little more than $18,000,000 under the first year's operation of the Dawes Plan which ended August 31, it is announced at the Treasury Department. There has been paid on account of the $254,000,000 due for costs of American army occupation in the Rhine region $14,705,154. The total of Army costs is to be paid back at the rate of 55,000,000 gold marks annually. The balance of the sum the United States has received is the 15,213,000 gold marks (about $3,500,000) which the Treasury Department was officially notified was made available to the General Transfer Agent on account of claims of American citizens. The total amount of these claims which are now being adjusted, has not yet been fixed. Officials here express themselves as optimistic in regard to the manner in which the Dawes plan has worked and they feel confident that, except perhaps for some minor changes, it will prove entirely successful in straightening out the financial difficulties of Europe.

THIRTY-FIVE CENT COTTON PREDICTED

A Columbia, S. C., dispatch to the press of September 1 states that 35 cent cotton is predicted by B. Harris, State Commissioner of Agriculture, in a statement issued at Columbia, August 31. He predicts a cotton shortage in the world, and sees a disastrous crop situation in the South.

Section 2

Cattle Marketing in Saskatchewan

An editorial in The Nor'-West Farmer (Winnipeg) for August 20 says: "The committee appointed to inquire as to the advisability of organizing a cattle pool in Saskatchewan finds that a cattle pool organized on the same basis as a grain pool is not possible, and that attempt to organize on that plan would lead to disappointment and failure. The committee is convinced that the best interests of the producers of livestock will be served by strengthening and increasing the number of local livestock shipping associations, to attain which the committee does not favor the formation of a new organization. A federation of the existing cooperative livestock shipping associations is suggested, which federation, the committee believes, could undertake to extend the present system of cooperative marketing and develop a satisfactory cooperative selling agency. ...."

Farm Machine Imports in Argentina

A Buenos Aires dispatch to the press of August 31 states that farm machinery imported from the United States in 1924 is reported to have totaled nearly $17,000,000, an increase of $4,000,000 over the previous year. The imports included 4,085 thrashers, 46,497 plows, 4,874 harvesters and reapers and 2,428 tractors.

Florida Fruit and Vegetable Marketing

An editorial in The Florida Times-Union for August 29, says: "Representatives of citrus fruit marketing organizations recently have been attending dealers' conventions in cities away from Florida and there learning much that is of value to the Florida growers of fruits and vegetables. Much of this information, so acquired, these representatives have been giving to Florida people, through the newspapers and personally. It ought to prove of very great value. The Fruit Trade Journal and Produce Record, of New York, referring editorially to these fruit organization conventions, and to some of the proposals made to right some things that are wrong, says: 'Some of the problems which are confronting growers, shippers and receivers to-day are of a serious nature. Their successful solution may be overcome if those vitally interested in them tell the country by means of advertising far and wide, persistently and reliably, what growers of fruits and vegetables have to offer for the food, pleasure and profit of humankind. Florida has learned what publicity can do in developing that State and its products at such a tremendous rate as to be almost unbelievable, and profited immensely thereby. Certain canned fruits also have found advertising highly successful in creating a demand for them and establishing friendly relations between canners and consumers. There is ample evidence to suggest that fresh fruits and vegetables can make great advances within the next year if attention and honest consideration of the circular letter referred to can be secured.' In the foregoing very brief reference is made to very important matters that have much to do with the success or the failure of Florida fruit and vegetable growers. Advertising is important, very important. Canning is important, making profitable use of fruit that is not good enough, or too ripe, to market profitably and that ought not, for those reasons, to be wasted. Florida now has a more stringent immature fruit law than heretofore. It is a law made to be obeyed to the letter, because it is in the interest of the fruit growers of this State, most of whom only too gladly market none but mature fruit. But their market is damaged immensely, and their industry imperilled, by the few who rush immature fruit

to market, or have done so in the past, regardless of consequences. This season, with the newer and more stringent law available, there should be, there must be, obedience to its mandates. Commissioner of Agriculture Mayo is going to do all that he can to prevent immature fruit being shipped, but he needs the active cooperation of all who in any way are interested in the prosperity of the State, for what hurts one industry hurts the State as a whole. Florida stands to gain millions of dollars annually through the growing and proper marketing of its fruits and vegetables; this, in spite of the inroads made by sub-division promoters who are encroaching on land hitherto used for grove and trucking purposes. Let the sub-divisions multiply and prosper, but at the same time protect the fruit and vegetable industries. They are too valuable to lose."

Jewish Farm Fund Opposed

An Associated Press dispatch from Boston August 31, says: "A resolution condemning the proposal to raise $15,000,000 for the establishment of Jewish agricultural colonies in Soviet Russia has been adopted by the New England Zionist Executive Committee and forwarded to prominent Jewish leaders in New York, it was announced at Boston August 30. ....The resolution was in reply to the proposal made by Louis Marshall of New York and David Brown, both leaders of the Joint Distribution Committee of America to raise the money for Russian agricultural colonies."

Land Conditions

"The Northwest Swings Back to Prosperity" is the title of an extensive article by Agnes C. Laut in The American Review of Reviews for September. Miss Laut says in part: "Perhaps it will clarify the atmosphere to acknowledge frankly that the western farmer did not get any more of a knockdown blow from 1920 to 1924 than the eastern farmer. The difference was: the western farmer, with the exception of Minnesota, which is an old State in farming, got the blow on his weak spot -- debt. He had been urged to expand during the War; and he overexpanded and went in debt. The sound eastern farmer did not inherit a mortgaged area. When the blow hit him, he had a surplus and not a mortgage. He could cut down, sit tight and live on his own fat. He did not 'hop' his farm as almost 7 per cent. of farm population did in four years, according to Federal Land Bank statistics and the Federal Department of Agriculture. Parenthetically, it may be added that mortgages in the West at this period showed an increase of almost 500 per cent. That was a heavy load round a swimmer's neck, when he found himself wrecked in the trough of an after-war slump. The eastern farmer hadn't that load round his neck; but if you examine facts, you will find that with much higher wages than the western farmer and almost impossibly high prices for feeds, the prices for farm lands in the East slumped even farther down down and hit as hard. But the city man of the East, hit by the fact that he had no dividends and no employment, was a buyer for these low-priced eastern farms. The western man had not this town buyer for his lands. He couldn't climb out under the wreckage. He hopped it, abandoning all; or he stayed with it. Those who stayed with it are coming out all right; and many who hopped away to earn a living in factories are now coming back with their savings to begin over again clear of debt. I can buy to-day many an improved eastern farm at $20 to $40 an acre. I could not buy the same character of land in the West

in Minnesota under $50; in the Dakotas under $30; and Montana under $20. Why? Because, with good prices for produce, these western lands will yield bigger interest on investment. There is no other rule governing the price of lands -- farm lands, not speculators' lands. If you examine what knocked the West down from 1920 to 1924, you will see how the most of the causes for disaster have passed and the ground swell is swinging back up to a prosperity such as characterized progress from 1900 to 1914. Every cause of disaster but one has passed; and that will cure itself."

Landscape Gardening Asked for Capital Schools

Development of landscape gardening in connection with new school buildings, in line with the present effort of Washington school authorities to surround children with all possible cultural influences rather than to make school a prison-like experience for the young, is urged in the annual report of Municipal Architect A. L. Harris, submitted August 30 to Engineer Commissioner J. Franklin Bell, according to the press of August 31.

Land Surveys Provided For

The $840,290 appropriated by Congress for survey and resurvey of Government public lands during the next fiscal year was allotted August 30 by the Interior Department as follows: Federal Supervisor's Office, $125,500; Alaska, $47,300; Arizona, $57,500; California, $57,000; Colorado, $52,040; Idaho, $50,500; Montana, $59,160; Nebraska and South Dakota, $41,420; Nevada, $43,040; New Mexico, $57,000; Oregon, $59,590; Utah, $63,660; Washington, $38,040; Wyoming, $44,040; Eastern districts, $45,000. (Press, Aug. 31.)

Meat Trade in August

A review of the livestock and meat situation, issued to-day by the Institute of American Meat Packers, points out that a fair demand, with little change in values, featured the wholesale meat trade during August. Receipts of hogs were somewhat more liberal than in July. Prices averaged well above $13.00 per hundred pounds during the first two weeks of the month, but declined somewhat during the latter part. This decline brought hog prices more nearly in line with current product values than has been the case for several months. Notwithstanding the fact that the volume of the trade was good, the dressed beef market was unsatisfactory during the entire month. The export trade during August showed improvement over the trade during July. Shipments of lard to Europe have been heavy to provide sufficient stocks for the fall trade and also to anticipate the effective date of the German tariff duties.

Muscle Shoals

An editorial in The Baltimore Sun of August 31, says: "A deficiency of water in the Southern States has done more than all the oratory of Congress and the investigations of Congressional committees. It has caused the first 30,000-horsepower hydro-electric unit at Muscle Shoals to be put into operation. The need for power to supplement the depleted output of public service corporations in Georgia and the Carolinas has brought about this phenomenon. There is recorded the surprise of a Secretary of the Navy, not now living, who boarded a vessel and peered down into the hull. 'Why,' said he, 'the blame thing's hollow.' With the plant at Muscle Shoals actually operating it may be expected that the more ingenuous Congressmen, on hearing the news, will exclaim, 'Why, the blame thing works!' And having made that discovery they may, for the first time, address themselves with real interest to the problem of devising a plan for its continued operation."

Section 3

MARKET QUOTATIONS

Farm Products

August 31: Chicago hog prices closed at $13.60 for the top and $11.25 to $13.25 for the bulk. Medium and good beef steers $6.75 to $14; butcher cows and heifers $3.50 to $12.50; feeder steers $6.25 to $8.50; light and medium weight veal calves $9.50 to $13.00. Fat lambs $13.25 to $15.40; feeding lambs $13.50; yearlings $9.25 to $12.25 and fat ewes $4.50 to $8.25. Stocker and feeder shipments from 12 important markets during the week ending August 21 were: Cattle and calves 71,527; hogs 7,029; sheep 88,074.

East Shore Virginia yellow variety sweet potatoes ranged $4.25-$5.50 per barrel in leading markets which is on a level with a week ago. New Jersey sacked Irish Cobblers declined to 10-20¢ ranging $2.35-$2.65 per hundred pounds in Eastern cities; $2.15-$2.35 f.o.b. central and northern New Jersey points. New Jersey Elberta peaches sold 25¢ lower at $2-$3.25 per six basket carrier and bushel basket in Eastern cities. Colorado Elbertas were jobbing at $3.75-$3.85 in St. Louis. California Salmon Tint cantaloupes from Turlock section sold at a range of 75¢-$1.50 per standard crate in Eastern markets. Colorado Salmon Tints were selling at $1.50-$2 per standard 45 in midwestern markets. Missouri Thurmond Gray watermelons 22-30 pound average jobbed at $150-$250 bulk per car at Chicago. Maryland and Virginia Tom Watsons 22-30 pound average 20¢-40¢ unit basis in Boston and Baltimore as compared with 12¢-40¢ a week ago.

Closing prices on 92 score butter today: New York 45; Chicago 43 1/2; Philadelphia 46; Boston 45.

Grain prices quoted August 31: No. 1 dark northern Minneapolis $1.52-$1.67. No. 2 red winter St. Louis $1.74; Kansas City $1.70. No. 2 red winter Chicago $1.64. No. 2 hard winter Chicago $1.57 1/2-$1.58-1/4 cents; St. Louis $1.60-$1.61 1/2; Kansas City $1.60-$1.65. No. 2 mixed corn Chicago 93 1/4-94 cents; St. Louis 92-93 1/2 cents; Kansas City 86 1/2 cents. No. 2 yellow corn Chicago 93-94 cents; Minneapolis 87 1/4-87 3/4 cents; Kansas City 94 5/8-96 1/2 cents. No. 3 white corn Chicago 92 3/4-93 1/4 cents; No. 3 white corn St. Louis 92-92 1/2 cents. No. 3 white oats Chicago 38 1/2-39 3/4 cents; Minneapolis 35-35-1/4 cents; St. Louis 40 1/4-40 1/2 cents; No. 2 white oats Kansas City 39 3/4-40 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 48 points, closing at 21.64¢ per lb. New York October future contracts declined 40 points, closing at 21.95¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 31	Aug. 29	Aug. 30, 1924.
20 Industrials	141.18	141.26	105.16
20 R.R. stocks	101.95	102.36	90.60

(Wall St. Jour., Sept. 1.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 54 Section 1 September 2, 1925

LIVERPOOL OPENS NEW COTTON MARKET A Liverpool dispatch to the press to-day says: "A new futures market for empire-grown and miscellaneous cotton was formally opened at the Liverpool Cotton Exchange September 1. A. A. Patten, vice president of the market, in a brief address at the opening ceremony, expressed the belief that in time the new market would supersede the American futures market."

NATIONAL PARKS AND FORESTS An editorial in to-day's New York Times says: "The reply of Colonel Albright, Superintendent of the Yellowstone National Park, to the charges made before the Senate Subcommittee on Public Lands was so conclusive as to silence completely the witnesses testifying against him....In itself the incident is of no especial importance. The administration of the Yellowstone National Park has long been noted for its excellence. But, coming after the attacks on the Forest Service last week, the charge that there is an organized attempt to discredit the Federal conservation policies by stirring up animosity against the forestry and park services seems to be true. It is, of course, the duty of the Senate subcommittee to hear all complainants. But conservationists can not help regretting that among its members are some Senators whose sympathies are notoriously opposed to the present conservation policy, and who would apparently like to pry loose the Federal Government's hold of the parks and forests in the hope that the States would be more willing to listen to 'reason' than is Washington. It is easy to understand the cleavage between the East and the West on this matter. For illustration, read the testimony now being taken in Montana. To the old-timers in the Mountain States, where most of the parks and forests are situated, the Federal Government, which has taken over enormous tracts of public lands, appears to be an interloper. It stands in the way of 'normal development' -- that is, of plans for exploitation of natural resources such as those through which pioneers in the old days made fortunes. They consider that these lands belong to the people of the States in which they are situated. The park and forest policy is that these belong to the Nation at large. The poacher and the prospector in the Yellowstone and the Arizona cattleman who wants the unlimited use of the grazing lands in the national forest represent the same spirit. Their objection to Government supervision is that it places a check on their formerly unfettered exploitation of the wilds. The fundamental justification for an all-embracing conservation policy is to protect the forests and parks from selfish individuals, so that all may enjoy them and profit from them in the future."

LUTHER BURBANK An editorial in to-day's Philadelphia Ledger on the announced retirement of Luther Burbank says: ".....The measure of success achieved by this modest and patient wonder-worker is indicated by the scramble among the universities all over the country to win the inheritance of the Burbank gardens. From Harvard on the Atlantic to the Stanford University on the Pacific it is said that overtures have gone to the wizard, with the chances in favor of the California institution....."

Section 2

Agricultural Situation

George A. Fox, executive secretary, Illinois Agricultural Association, in the I. A. A. Record of August 29, says: "The time has come in the Midwest when adequate remunerative return to the farmer must come from the operation of his farm. Dependence on increased value of land holdings will be, from now on, an uncertain if not indeed a negligible factor in farm profits. Farm operations must be conducted more nearly like an industry and the profits must come from the operating turnover. The establishment and maintenance of farm operations on a prosperous business basis is the most important economic and social question facing the American people. The farmers of America have in the past believed in developing home industries and have subscribed to a Government policy of protecting, encouraging, and developing our industries against outside competition. With the development of industry and transportation, the laboring class was faced with outside competition from people with lower standards of living. Labor pressed and secured Government protection against runious competition caused by immigration. The farmer did not object to protecting labor. Agriculture will decline or develop. It can not stand still. Shall the Government interest itself in developing agriculture? Shall the Government aid in establishing farming on a business basis? Can the Nation afford to do less for the farming business than it has done to maintain industry and labor? We think not. Only by developing all of our resources, agricultural and industrial, can we maintain an economic balance which will make the Nation prosperous and safe for all time."

Agriculture and Business

An editorial in The Journal of Commerce for August 25 says: "Despite rather unusual variation of opinion for the season of the year in respect of the size of the prospective crop of cotton, few well informed students needed to wait the Government forecast of practically 14,000,000 bales to be assured that so far as can now be foreseen our production of this highly important raw material will be large. Somewhat the same situation obtains with reference to several other leading agricultural crops in this country. Exceptionally large additions to supply can, of course, be counted upon to influence prices, and, moreover, as all who have taken the trouble to inform themselves know well enough, there are some rather bad spots in agricultural regions. It is hardly likely, however, that prices will fall drastically enough to prevent the development of a very substantial volume of demand for a variety of goods in rural districts during the coming autumn and winter, and districts where crops have been, or promise to be, a failure are after all such a relatively small part of the total farm area of the country as a whole that their influence will certainly not be dominating. Conservative observers have for a good while past been fully aware of the fact that the general business situation in this country during the coming autumn and winter would in unusual degree depend upon the crop outcome, and it may now be added with a moderate degree of assurance that by and large the agricultural outlook is distinctly encouraging. What the leaders in industry, trade and finance think of these and other similar facts is plain to see. It has written itself in large letters across the face of the stock market; it is reflecting itself in the sustained demand from distributers for textile and other goods, particularly in the South and West; it reveals itself in the plans the railroads are making to transport record breaking amounts of goods during the next few months; it is being made manifest in the plans industry in sundry lines is drawing up for a relatively full measure of activity for some time to come, and it finds expression in the

much greater degree of optimism that now pervades the community in general. Evidently the business world has looked upon the developments of the past few months and is calling them good. Fortunately, moreover, this marked hopefulness with which the future is now being viewed is in large measure based upon solid fact and sound reasoning....."

Argentine Beef Export. An editorial in The Pastoral Review (Melbourne) for July 16 says: "We have had several reports recently from Australian visitors to the Argentine that that country has reached her limit in beef export. It may be as well not to build too much on these opinions. There is another big beef cloud on the horizon, which will not take long to be over us. Between the year 1878 and 1900 Argentina made her first big stride in stock improvement, and as early as 1891 she was beginning to get meat away in large quantities and of a high quality. It only took her a quarter of a century to raise her vast numbers of 'criollo' cattle to herds of fine quality standard. The writer has been directly connected with Argentine cattle since 1891, and can justly claim to some knowledge of the subject on which he is writing. Argentina has by no means reached her export limit. She may have reached her local breeding limit, but she has nearly 44,000,000 cattle in adjoining States which she can and is helping to improve, and from which she can draw stores for fattening on her vast alfalfa plains. The wish is no doubt father to the thought that her limit has been reached, but our countrymen are apt to jump to conclusions, which a little more knowledge would probably cause them to reconsider. The frozen meat exporters of Argentina are the smartest business men in the world, and the cattle breeders are also alive to what can be done, therefore the writer expects to see big developments in the improvement of Brazilian, Uruguayan and Paraguayan herds. Everything is in their favor, climate, labor, soil, facility of shipment, nearness to world's markets, and railways, which are not only run for the employees, but with business methods for the people as a whole, instead of as is the case in our principal cattle State, Queensland."

Cattle Markets. An article in Commerce Monthly (New York) for September says: "The acute difficulties which cattle raisers have faced during the last few years may be traced in the main to the readjustment which was necessary following the change in demand caused by the war. Now that this readjustment is well along toward completion, however, it becomes necessary to study the long-time trend of developments which was in evidence before the war, if the future of the industry is to be appraised correctly. No longer can the export market be considered a factor of permanent importance to cattle producers in the United States. The free ranges of the great western frontier which made possible shipments abroad of huge quantities of beef and cattle in the last century and at the beginning of this one have disappeared. The competition in foreign beef markets of frontier cattle land in South America and Australasia, the consuming power of a growing population at home, and the consequent pressure of other farm enterprises for the use of land had before the war eliminated net exports of both beef and cattle and greatly reduced the beef herds of the country. In response to the stimulus of abnormal European demand for beef created by the war, coupled with difficulties of transporting sufficient quantities of beef from Southern Hemisphere producers under wartime conditions, the beef herds of the United States were again built up, increasing by a third in five years. The export market was lost almost immediately after the close of the war. Producers were faced with the necessity of getting rid

of this increment of beef cattle, produced under high-cost conditions, in a domestic market which had undergone only normal growth and which during part of the time was flooded with cheap pork. Until the spring of 1925 pressure of cattle supplies cut short promising advances in price, but the burdensome surplus seems at last to have been eliminated."

Fruit Storage in Australia

W. H. Brown, writing in Agricultural Gazette of New South Wales for July 1, says: "The Victorian growers, confronted no doubt by a similar state of affairs in years gone by, have largely solved the problem by the erection of cool stores, in which fruit can be held until it is desirable to market it. That the system has been a success could not have better proof than in the fact that in that State every fruit district of note to-day has its cool store, which as a rule is cooperatively owned. The storage capacity available for fruit in Victoria can accommodate about 1,500,000 cases, over two-thirds of that storage being available within the fruit districts, and under the close control of the growers themselves. In New South Wales, on the other hand, no storage at all exists, except a small capacity in proprietary stores in Sydney, and that provided at Batlow within the last two or three years as a result of local enterprise."

Section 3

Department of Agriculture

An editorial in The Milwaukee Journal for August 30 says: "The investigation into the administration of public lands, including the work of the Forest Service, soon to get under way, seems to be founded on charges by Senator Ashurst of Arizona that the service shows 'abysmal lack of familiarity with our national forests.' As the Senator's strictures are analyzed it appears that the chief evidence of 'abysmality' lies in the fact that the Forest Service restricts grazing on Federal acres. Senator Ashurst and some other western gentlemen still live in the atmosphere of the old West. It was a large, free land. Cattle ranged where they pleased. But the old range days are gone, homesteaders have come, fences have appeared, miles of open country are closed to the old-time cattle men, and they are restive. They have looked with avid eyes on the national reserves--closed against free grazing and carefully regulating such paid grazing as they allow. It was wise and sound judgment that locked up these Federal resources. And it seems, as one reads the regulations on grazing, that the Forest Service has been too liberal rather than too niggardly with the cattlemen. It seems that the service, if subject to criticism at all, might be criticized for letting too many cattle into the national reservations rather than keeping too many out. We may expect to see others joining with the gentleman from Arizona in the coming attack upon the Forest Service. There are lumber interests on the western coast who see the end of their operations. They have money and energy to invest, with little left, of private holdings, to invest them in. What more natural than that they, like the cattlemen, should look avidly upon the riches stored away in the national forests? What more fruitful field could they ask than those forests, opened wide to them by some congressional looseness, coming out of such an attack as now is promised? Certainly the American people will welcome a fair investigation. They will not prejudge it. Nor should they assume that cattle and lumber interests are selfishly plotting to loot the resources that have been held for the people by the Department of Agriculture, through its agent, the Forest Service. There is reason to hope that the senatorial land committee, headed by Senator Walsh, will go fairly into these

matters and reach fair conclusions, based on the public interest. But if there is temporary bias, let it be on the side of the Forest Service. Its work has not been perfect; it may not have done all that could be done with the public lands; but it at least has stood between a great public heritage and the swift, relentless exploitation that has marked the end of so much of America's natural wealth when it has passed from public into private hands."

Section 4
MARKET QUOTATIONS

Farm Products

September 1: Hogs, top $13.40; bulk of sales $11.20 to $13.20; medium and good beef steers $7 to $14; butcher cows and heifers $3.50 to $12.50; feeder steers $5 to $8.50; light and medium weight veal calves $10 to $13.50; fat lambs $13.75 to $15.65; feeding lambs $13.50 to $15.60; yearlings $9.75 to $12.75; fat ewes $4.50 to $8.25.

East shore Virginia sweet potatoes ranged $4.50-$5 per barrel in most city markets; lower in Baltimore at $3.25-$3.50. F.o.b. price brought $3.75-$3.85 to Virginia growers. New Jersey sacked Irish cobbler potatoes sold at $2.15-$2.50 per hundred pounds in Eastern markets. Maine Irish Cobblers, sacked and bulk, ranged $2-$2.10 in New York and Boston. Colorado Salmon Tint cantaloupes ruled $1.25-$2 per standard 45 in terminal markets. 70¢-75¢ f.o.b. Rockyford, Colorado. New York Oldenburg apples ranged 60¢-$1.15 per bushel basket in Eastern cities. Grapes from New York State ranged 50¢-$1 for Champions per 12-quart basket in New York and Pittsburgh.

Grain prices quoted September 1: No.1 dark northern wheat, Minneapolis $1.53 to $1.68; No.2 Red Winter, Chicago $1.66 1/2; St.Louis $1.75-$1.76; Kansas City $1.71. No.2 hard winter, Chicago, $1.60 1/2; St. Louis $1.62 1/2; Kansas City $1.56-$1.68. No.2 Yellow Corn, Chicago 94 1/2 to 95; St. Louis 94 1/2; Kansas City 96-96 1/2; No.2 mixed corn, Chicago 92 1/2-94 1/4; Kansas City 87 to 88 1/8¢; No. 3 yellow corn, Chicago 93-94¢; Minneapolis 84 3/4-89 1/4¢. No.3 white corn, Chicago 93 1/4-93 1/2¢. No. 3 white oats, Chicago, 39 1/2¢; St. Louis 40 1/2 to 41 1/4¢; Minneapolis 35 3/4 - 36¢. No.2 white oats, Kansas City 40 1/2¢.

Average price of Middling spot cotton in 10 designated spot markets advanced 7 points, closing at 21.71¢ per lb. New York October future contracts advanced 16 points, closing at 22.11¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 1,	Aug. 31,	Aug. 30, 1924
20 Industrials	139.78	141.18	105.16
20 R.R. stocks	100.90	101.95	90.60

(Wall St. Jour., Sept. 2.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 55 Section 1 September 3, 1925.

THE PRESIDENT ON HIGHWAY CONGRESS

An Associated Press dispatch from Swampscott, Mass., to-day says: "Belief that amicable relations between North and South America will be promoted by such conferences as the Pan-American Congress of Highways to be held soon at Buenos Aires was expressed yesterday by President Coolidge in a letter to the American delegation to the congress. The President's letter, sent to H. H. Rice, chairman of the delegation, follows: 'On the eve of your departure for Buenos Aires to attend the Pan-American Congress of Highways as delegates on the part of the United States, I desire to extend to you and through you the representatives of other countries who may there assemble, the best wishes I entertain that the meeting of the congress may be most successful in the interest of highway development, especially in those phases of the subject regarding international treatment. Your mission is an important one. The purpose of the Pan-American Congress of Highways to bring together representative men of the Western Hemisphere familiar with the various phases of highways research with a view to the betterment of highways construction and motor transportation has my hearty support, recognizing as I do that better facilities of road communications will be conducive to improved intercourse and good understanding, and can not but react to the social and economic advantage of all the nations concerned. I look forward hopefully to the time when through the efforts of the delegates to these Pan-American conferences the two continents of North and South America will be united in physical fact through modern highways as they to-day are united by bonds of mutual friendship and goodwill. I have no doubt that your influence will be exerted toward the furtherance of this desirable end.'"

ILLINOIS FARMERS HAVE PAPERS BY AIRPLANE

A Springfield, Ill., dispatch to the press to-day states that seventy-five per cent perfect on the first test, airplane delivery of afternoon newspapers to the farmer's door was attempted at Springfield September 1. Yesterday three-fourths of the farmers had reported receipt of the newspapers and were informed that airplane delivery would soon come to stay. Papers were dropped as each subscriber's house was passed. It was said that the cost of operating the plane was 4 cents a mile, compared with 10 cents for a truck.

COMMERCIAL AIR SURVEY

Commercial airplanes throughout the world have flown approximately 30,000,000 miles since commercial aviation was begun, according to the Department of Commerce and the American Engineering Council. Professor Joseph W. Roe, head of the Department of Industrial Engineering, New York University, explained that the distance covered was over land and water, by night and day and under all kinds of weather conditions. He said that military flights were not included in the figures. A complete report on the survey will be presented to the Administrative Board of the American Engineering Council October 29 and 30, at Columbus, Ohio. (Press, Sept. 3.)

Section 2

Agricultural Conditions in Russia

Clinton W. Gilbert, in his "Daily Washington Mirror" in the press of September 2, says: "Dr. Valerian O. Ossinsky, professor of agriculture in the Moscow Academy, who is studying American farming methods and farm machinery in this country, tells me that Russia is more prosperous this year than at any time since the war. The crops are unusually good and production in other lines is getting back toward the pre-war level. Russian exports to this country have been built up by a selling syndicate in New York, so that furs, though still 80 per cent of Russian exports to this country, are no longer, as they were a year ago, virtually the only article shipped here. Thus there will be more money to buy American machinery than in recent years. Doctor Ossinsky is greatly interested in the costs of American farming. Theoretically, Russia, when it has modern machinery and methods, should be the source of cheap food, as the West was a couple of generations ago. There is free land there, especially in Siberia. And Russia, so long as the present system of Government lasts, is going to be the one place in the world where land can not have a speculative value. There can be no buying and selling of land in Russia. A father may pass his farm on to his son, but he can not alienate it, for the title to it finally rests in the Government. So the value of land can not be an element in the cost of production of farm products. This is an experiment the social consequences of which are not easy to predict. American farmers have made their living out of their farms and their profits out of the increasing value of farm lands as the more productive regions have gradually come under cultivation. The Russian farmer will have nothing to look forward to except his annual harvest as a source of means to accumulate a competence. Will he be content with the system under which he does not own the land he tills? He has slowly progressed from serfdom up to tenancy under great landlords and then to a qualified ownership of land under the State. Will he prove willing to stop short of full ownership? The farmer steadily becomes more and more the problem of the present Russian Government, which is a workingman's government of an agricultural country. That is one reason, I suppose, why Prof. Ossinsky is in this country studying American agricultural methods."

Farmer Loans

An editorial in Farm Implement News for Aug. 27 says: "As applicable to regions where farmers were prosperous and had financial surpluses, we have heard the accusation that the average country banker had no real interest or vision in the development of the farms owned by its customers. This attitude was exemplified by the banks' invariable advice to keep surplus funds in certificates of deposit and not to reinvest farm profits in farm buildings, farm livestock and other farm improvements that reasonably could be expected to earn far more than the banks' rate of interest. In exaggerated form, it might have been said that such bankers preferred as customers the men who had large balances in the bank but were operating run-down farms in urgent need of capital improvement. However this may be in some sections, there is no such attitude in the Fresno, Calif., district, if we may credit the statement of our Pacific Coast correspondent in his letter of last week. According to this a number of associated banks around Fresno have combined on a policy under which they will no longer finance farmers or ranchers who grow raisin grapes except where the production is in excess of a ton an acre. The bankers say that corn, cotton, alfalfa, etc., can be raised profitably in the district, while the grapes have caused losses year after year. It is the old story of all the eggs in one basket; or lack of diversification."

Flax Growing in Ireland "Statistics show that by far the larger area of flax grown in Ireland is grown by men who can not manage more than one or two acres, the venture of a bag or a couple of bags of seed. The substantial farmer grows more but, even with better handling, it is questionable if his margin of profit is so great at the end. The small grower, with his family at hand to help him at every turn, and thereby saving cost, stands to win most. Futile attempts have been, and are being made, to reduce cost of production in flax growing by implements designed to replace manual labor. The probabilities are that it may be done, but they are stronger that it can not. Flax fiber, ready to be spun into yarn, and to be woven into linen, must, and always will be, the product of the human hand; where ancient Egypt has eclipsed us moderns in the fine texture of their line, this degree of perfection is hardly likely to be improved upon by pulling machines or steam-heated retting ponds." (Farmers' Gazette(Dublin) Aug.22)

Freight Rates An editorial in The Wall Street Journal for September 2 says: "When the Interstate Commerce Commission begins its inquiry into western freight rates at Chicago, during the next few days, it will do so in compliance with the Hoch-Smith resolution of Congress. It does not follow that the commission is under any mandate to embrace all the implications of that document and of the circumstances of its passage. The resolution, in the airy manner characteristic of too much national legislation, sounds a new note in rate regulation, but in the same breath disavows any intention to substitute it for the principles of the Transportation act with which it conflicts. To assign the Hoch-Smith resolution its rightful place in the railroad scene it is necessary to recognize that it was prompted by a desire to 'do something for the farmer.' It declares the 'true policy in rate-making' to include consideration of 'the conditions which at any time prevail in our several industries' and the general and comparative price levels of various commodities 'over a reasonable period of years.' ....All of this verbiage was raked together in the pious hope that it would give the farmers and stock raisers a reduction in freight rates on their products, or would at any rate look like an effort in that direction. The Supreme Court has already told the commission that it can not read the desires of Congress that may lie back of an act as 'a term of the statute that was passed.' But it is still more pertinent here that the resolution itself directs that whatever readjustment of rates is made shall be done 'legally,' likewise 'according to law' and so as to result only in 'lawful rates.' Inasmuch as the resolution not only does not repeal the rate-making section of the commerce act, put into it by the Transportation act of 1920, but almost painfully seeks to avoid any impairment of the existing law on rates, it is not to be supposed that the Commission will lightly throw over well-tried principles to assume the wholly impossible task of redressing every unwelcome phase or condition in every industry by changing freight rates applicable to its products....."

Potatoes and Tariff An editorial in The Journal of Commerce for August 29 says: "Those farmers who have potatoes to sell will no doubt find comfort in the recent assurances of the Department of Agriculture at Washington that prices are likely to remain high all round. There is, according to this official outgiving, a shortage in practically all varieties of this food product and, says the department, 'the present tariff of 50 cents per hundred pounds on potatoes is a barrier against heavy imports unless prices go very high.' Certain special occasions of this sort arise from time to

time when our schedule of duties on agricultural products becomes effective, and, of course, there are a number of particular branches of our agriculture, like peanut growing and citrus fruit production, which are continuously benefiting from the protection thus afforded. Government officials and politicians are not likely to permit their light to be hid under a bushel. The farmers actually benefited by the Fordney-McCumber schedules are certain to be informed of their good fortune at frequent intervals, and a good many that really obtain no good whatever are often told that they are very real beneficiaries....But what, of the consumer who must pay for these advantages to this, that and the other isolated group in the agricultural industry and of the vast body of farmers whose interests are hurt a great deal more than they are helped by such [illegible] policies?"

Roads and Business

An editorial in The Chicago Drovers Journal for August 31 says: "This country is spending money at the rate of about a billion dollars a year for improved highways. This represents a tremendous capital investment, and one that either depreciates rapidly or requires a continued investment for upkeep. Much of the traffic over these roads is purely for pleasure. Thus people are led to doubt whether the total road investment is a wise one. The question of whether too much is being spent on roads time alone can answer. However, their economic value should not be entirely overlooked. Sandwiched in with pleasure traffic there is a vast amount of business traffic, in autos as well as in trucks. Good roads mean speeding up business, and that means more business than could be done without this versatile contribution to the country's transportation system. There is real economic value here, hard to measure, but certainly of great importance."

Russian Wheat Export

A Chicago dispatch to the New York Times of August 31 says: "Russia is offering wheat abroad at much lower prices than America, and, while part of the selling is probably due to the desire to build up its holdings of gold abroad, at the same time the importance of Russia again becoming a factor in the world's situation can not be ignored by the trade, even though the quantity cleared this season is relatively light in comparison with the pre-war totals. Should Russia start to export 100,000,000 bushels per year it would create considerable competition for American farmers, who have enjoyed prices considerably above normal during the last few years....."

Wheat Market

Modern Miller for August 22 says: "Believing the trade would be interested in the opinions of leading members of the Chicago Board of Trade, as to the trend in the wheat market, Modern Miller late this week interviewed some of the leading members....There was a general opinion that it will take some important developments to change the present low levels; that there is no pronounced bullish or bearish features and the trade is waiting to measure the effects of the Canadian movement. Two well defined opinions seem to prevail, first that there is nothing in sight to inspire the hope for a very much lower basis of price, and second, that at some time on this crop prices will be higher. Some real factors in the trade do not hesitate to express the opinion that the domestic situation is sufficiently strong to insure higher prices before a new crop is harvested. The bears see Europe and Canada as possible deterrents to advances for some time to come. They see heaviness, unless exports hold up, but they are not keen for declines beyond moderate price recessions.

They are inclined to look for bearish official reports from Canada. The period of crop damage is practically past, with frost or rain in Canada the only possibilities for crop losses....The movement of wheat has been light, which naturally leaves a lot of wheat back on the farms. Europe apparently needs a lot of wheat for empty bins and a good part of this early season necessity must be supplied from America."

Section 3

MARKET QUOTATIONS

Farm Products

Sept. 2: Chicago hog prices closed at $13.35 for the top and $11 to $13 for the bulk. Medium and good beef steers $6.75 to $14; butcher cows and heifers $3.50 to $12.50; feeder steers $6.25 to $8.50; light and medium weight veal calves $10 to $13; fat lambs $13.75 to $15.65; feeding lambs $13.50 to $15.60; yearlings $9.75 to $12.75 and fat ewes $4.50 to $8.25.

Virginia Sweet potatoes steady to firm in eastern markets ranging $3.50-$4.75 per barrel, $1 lower in Chicago at $5. New Jersey sacked Irish Cobbler potatoes weakened to a range of $2-$2.50 per hundred pounds in Eastern markets. Minnesota Early Ohios sold 10¢ lower at $1.90-$2 on the Chicago carlot markets; firm in other midwestern cities $2.25-$2.50. Elberta peaches from New Jersey declined 25¢-50¢ selling at $2-$3 per six basket carrier and bushel basket in Eastern terminal markets; $3.50-$3.75 in Cincinnati. New York Concord and Moore's Early grapes ranged 75¢-$1 per 12-quart basket in New York and Pittsburgh. New York Oldenburg apples selling at $3-$4 per barrel on the New York market, wealthys $4-$4.50.

Closing prices on 92 score butter to-day: New York 46; Chicago 43 3/4; Philadelphia 46 1/2; Boston 46.

Grain prices quoted September 2: No.1 dark northern Minneapolis $1.52-$1.71. No.2 red winter Chicago $1.66 1/2; St. Louis $1.73-$1.77; Kansas City $1.70-$1.71. No.2 hard winter Chicago $1.50 1/2; St. Louis $1.60; Kansas City $1.60-$1.65. No.2 mixed corn Chicago 92 1/2-94 1/4 cents; St. Louis 94 cents; Kansas City 87-87 3/4 cents. No.2 yellow corn Chicago 94 1/2-95 cents; St. Louis 95 cents; Kansas City 97 cents. No. 3 yellow corn Chicago 93-94 cents; Minneapolis 90 3/4-91 3/4 cents. No.3 white corn Chicago 93 1/4-93 1/2 cents. No.3 white oats Chicago 39-39 1/2 cents; St. Louis 40 1/2 cents; No.2 white oats Kansas City 40 1/2-41 cents. No.3 white oats Minneapolis 36-36 1/2 cents.

Average price of Middling spot cotton in 10 designated markets advanced 20 points, closing at 21.91¢ per lb. New York October future contracts advanced 22 points, closing at 22.33¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 2,	Sept. 1,	Sept. 2, 1924
20 Industrials	137.22	139.78	104.95
20 R.R. stocks	99.93	100.90	90.58

(Wall St. Jour., Sept. 3.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 56 Section 1 September 4, 1925.

THE PACKER CASE An Associated Press dispatch to-day states that Attorney General Sargent is expected in some quarters to refuse to submit an opinion as requested by Secretary Jardine on the legality of the merger of the Armour and other packing interests. The Attorney General has been advised that Congress specifically gave full power of administration of the Packer and Stockyards act to the Secretary of Agriculture.

LAND BANK INTEREST A Colorado Springs dispatch to the press of September 4 states that at the closing session of the seventh annual convention of the American Association of Joint Stock Land Banks September 3, a program was formulated which the delegates from fifty-six joint stock land banks expect will increase by several hundreds of millions of dollars the supply of money available for farm requirements at lower interest rates. Representatives of the United States Government gave counsel respecting ways and means of amplifying the amount of money that each year may be lent to responsible farmers. The joint stock land banks expect to borrow money from the public through the sale of wholly tax-exempt bonds at 4½ per cent. This money in turn will be lent by them at 5½ per cent. Both interest rates represent a concession of one-half of 1 per cent under present prevailing levels. Robert A. Cooper, Farm Loan Commissioner, told the delegates that "for the first time in the history of the United States there is now an abundance of money obtainable for any farmer who has productive land, a reasonable knowledge of his business, and a reputation for paying his debts." This condition, which he attributed in large measure to the successful operation of the Federal Farm Loan System and supplementary institutions, was believed by him to insure "prosperity for the farmer--a kind of prosperity he never has known before--and a degree of prosperity which will be limited only by his ability to use with advantage the money he obtains."

COTTON FAILURES IN LIVERPOOL A Liverpool dispatch to the press of September 4 states that the failure of two Liverpool cotton brokers' firms September 3 temporarily created great excitement in the Cotton Exchange, but yesterday afternoon the market, later dropping 70 points at the first news of the failures, had returned to normal. The firms which failed are H. R. Bowler & Co. and Alfred Foinquinos & Co. The first named is involved to the extent of between 50,000 pounds and 60,000 pounds, which is the biggest failure on the Liverpool Exchange for several years. The Foinquinos firm, a comparatively small concern, was unable to meet liabilities amounting to only about 300 pounds. H. R. Bowler & Co. was engaged in buying cotton in England and selling in America, but was not trading in actual cotton. The failures were the outcome of a fluctuating market.

Section 2

Australian-Canadian Treaty

A Melbourne dispatch to the press of September 3 states that the commercial trade agreement between Canada and Australia was ratified by the Australian Senate September 2. It was amended to provide that before imports entering Australia are entitled to the British preferential tariff they must be 75 per cent the product of British material and labor instead of only 25 per cent, as was the case under the old Australian regulation, and was indorsed recently by the House of Representatives.

Flour Exports

An editorial in Modern Miller for Aug. 29 says: "...A banker tells the farmers to hold and get 50c a bushel above the export level. This is apt to make a good market in the United States for Canadian wheat. It would stop the export of United States grain exports (if successful) and the result would be lower prices in the end, instead of higher prices. The best prices would certainly come through export shipments sufficient to eliminate the export surplus. Holding wheat won't accomplish this result. It will stop export shipments and some farmers will find out that artificial price making is unhealthy commercialism. We can conceive of no surer way to defeat the farmer than to force a basis that invites Canadian wheat flour to be marketed in our Eastern States and this situation is not an improbable development. It is not wholesome to get out of line for export business. It would be disastrous to our flour trade in the West Indies; it would put us a step backward in European markets. If it is a case of crop, it can not be avoided, but if it is a case of artificial marketing through holding, then the farmer has helped to injure the trade with the markets that absorb his products."

French-Argentine Air Mail

A Buenos Aires dispatch to the press of September 3 states that a French air mission, headed by Premier Charles Murat and M. Portel, head of the Latecoere Air Company, has arrived at Buenos Aires to close a contract with the Argentine Government for an aerial mail service between France and Argentina. The project also calls for a fast steamer service between Pernambuco and Dakar, Senegal.

Irish Agriculture

An editorial in The Farmers' Gazette (Dublin) for August 22 says: "During much recent discussion regarding the inherent weaknesses which agriculture shows, too strong a tendency was evidenced to frame prospects on the existing scale of production. The wheels of the farming machine sometimes run slow, but later they speed up again. It is not this year nor that year that deserves to be hit upon to test the heart-beat of the industry. Above all other forms of productive effort, farming is least suited to be taken to bits, as it were, at any particular half-year and judgment pronounced upon its decadence or its progressiveness. The cardinal fact that deserves the closest examination is the relationship between demand, and the manner in which this affects the volume of production. Any weakening in demand caused by lowered purchasing power is reflected in decreased exports, just as buoyancy in prices stimulates a larger output to the cross-Channel markets. Countries do not stand alone. Trading makes this impossible. When one suffers from a trade depression, the other is bound to share it, more especially if one be a producing and the other a purchasing country....A shrinkage in the numbers of livestock exported from this country, and a falling off in the bulk of farm produce sent out within a period of months need give no serious cause for alarm. When the tide of demand begins to flow again, the forces of supply will assuredly revive to meet it....The argument may be advanced that

other competing countries of supply show no weakening in their grip of the common market, and are actually strengthening their hold upon it by forwarding a larger bulk of produce, and by perfecting their marketing organization. As against this, it may be pointed out that abnormal times produce abnormal market tendencies. If it was the fact that during the war years when the earning powers of the working classes reached a height such as was never known before, demand concentrated chiefly on the dearest commodities, it is as certain that when means are restricted, the smallest difference in price between any two commodities will lead a great proportion of consumers towards the cheaper article. These are slow undersurface movements in the general market trend, and may be expected to disappear as consumption quickens under a brisker industrial trade."

Synthetic Rubber Possibilities

An editorial in The India Rubber World for September 1 says: "With every upswing in the price of crude the nightmare of planters and the fond dream of consumers--synthetic rubber--seems just ready to materialize, but with every slump it just as strangely fades again into thin air. Even so well informed an observer as Secretary of Commerce Hoover was for a time so much impressed with the looming rival of real rubber as to expect its early use in American industry, but, the Bureau of Standards having pronounced its manufacture impracticable, he now states that manufacturers can hope for little relief from that source. If the rubber industry is to effectively fight the rise in crude, he advises, its best recourse lies in the more extensive use of a material which, though it may have had as many lives as the proverbial feline, is still unexcelled as a substitute for natural rubber,--old, reliable reclaim...Possibly rubber raising has a future as well assured as that of coffee cultivation; or, with startling suddenness, it may encounter a chemical competitor that may force even the proud Hevea to struggle with the lowliest African grades for a place in the sun. The economic production of synthetic rubber may now baffle the chemists, but it does not discourage them. They like to amaze the incredulous, and their brilliant achievements warrant their confidence that in the near future they will originate a commercial product that will be not only caoutchouc but also have the minor essentials of good, working rubber. So eminent an authority as President James F. Norris of the American Chemical Society stated during its recent annual convention that not only is the problem of synthetic rubber being attacked more earnestly than ever, but that its solution seems probable through the more economical production of butyl alcohol, a by-product of corn fermentation. Butyl alcohol has made possible the replacement of car varnish with nitrocellulose lacquer; and so may its derivative acetone, from which the Germans in war days made isoprene and usable rubber, yet prove indispensable to the rubber trade. Such an accomplishment should be no more marvelous than the conversion of the fluids phenol and formaldehyde into a resin that vies with hard rubber. And even if the corn product were to disappoint us, Doctor Norris reminds us that we still have in crude petroleum a potential base for a limitless supply of rubber."

Tuberculosis in British Cattle

An editorial in Country Life (London) for August 22 says: "The reimposition of the Tuberculosis Order of 1914, which was suspended on the outbreak of the war, again draws attention to the serious question of tuberculosis among dairy cattle. While many opinions exist concerning the best methods of dealing with this trouble, there is at least unanimity that the disease is a serious menace not only to cattle, but also to child

life. The efforts which have been made to cope with the problem in this country have been very feeble when account is taken of its serious nature Those breeders who are in the pedigree business know of the loss which failure to 'pass the test' means with many of their best animals. In consequence, there has been in recent years a marked endeavor to improve the bill of health in respect of freedom from tuberculosis, especially in bull-breeding herds and where the export trade is concerned. These efforts, however, touch only the fringe of the disease, for commercial herds of dairy cattle are known to be badly affected....Considerable space has lately been given in the press to the employment of vaccines for rendering cattle immune from tuberculosis. The Spahlinger treatment, for instance, has been much canvassed, and since the return from Geneva of the five medical members of Parliament, who recently went there to investigate it, a 'Bovine Tuberculosis Committee' has been formed to carry out tests on cattle in this country. Comment on the employment of vaccine has been rather pessimistic. Previous attempts have failed, and there is, therefore, a disposition to argue that the same fate will befall the present experiments."

Weather and Overproduction

An editorial in The Journal of Commerce for September 3 says: "The Department of Agriculture has again felt it necessary to warn the farmers of this country to guard against overproduction next year as a result of high prices ruling during the current season and, for that matter, still in effect. There is perhaps more danger of some such development in the case of fall sown crops than appears on the surface. It is to be recalled in this connection that a relatively low yield per acre in the cases of wheat and cotton, at all events, is the only thing that prevented an abnormal output this year as a result of last year's high values. It is, accordingly, to be assumed that the farmers of this country by and large fully intended to increase their production this year. That such a policy had been decided upon by the rank and file of the farmers has been fairly clear almost from the first. It would, of course, be hazardous to attempt to forecast prices during the coming autumn and winter, but there is in the present situation nothing to suggest that the farmers on the average throughout the country will not find it possible to obtain profitable prices for the products they have to sell. If they do and are persuaded thereby to increase their acreage for another season over the rather exceptionally large area of this year they are more than likely to have cause for regret, unless indeed the weather plays another trick on them next year."

World Production

"It is commonplace knowledge that the laborer of to-day enjoys luxuries unknown to the kinds of the eighteenth century. Vast areas of the earth's surface, inaccessible a century and half ago to the centers of civilization, have been brought into the circle of the world's commerce and a vast flood of foods and raw materials has been poured into the markets of the world as a result. New mechanical inventions are welcomed and great industries are constantly striving, with the approval of the world, to find better and cheaper ways of turning out a greater and greater volume of goods. Governments are seeking to teach the farmers new and better ways of turning out more and better food products. Experts are studying the potentialities of labor, trying constantly to find better ways of co-ordinating labor in the interests of large per capita output. We are not afraid of increased production that comes in these ways. We have seen, through the past century and a half, demand

expanding with supply, consumption expanding with production. Our hundred million people consume vastly more than the four hundred millions of China, with their low productive capacity, can consume. We consume more because we produce more. Our ability to consume moves parallel with our ability to produce. The increasing supply of one product enables the consumers of that product to offer more to the producers of other products. Wheat comes into the market as supply of wheat, but also as demand for other goods, and so with every other commodity. Each is supply of its own kind, but also is demand for other things. These propositions are commonplace. It is only necessary to state them to command an assent to them. Why should the world fear production which grows out of increased productive capacity in Germany, and increased exports from Germany, if it does not fear production that grows out of a new mechanical invention or cheaper ocean transportation or the discovery of new sources of raw materials? " (B.M.Anderson,jr., of Chase National Bank,N.Y.)

Section 3
MARKET QUOTATIONS

Farm Products

September 3: Chicago hog prices closed at $13.30 for the top and $11.30 to $13.10 for the bulk. Medium and good beef steers $6.75 to $14.25; butcher cows and heifers $3.50 to $12.50; feeder steers $6.25 to $8.50; light and medium weight veal calves $10.25 to $13. Fat lambs $13.75 to $15.65; feeding lambs $13.75 to $15.75; yearlings $9.75 to $12.75; and fat ewes $4.50 to $8.25. Stocker and feeder shipments from 12 important markets during the week ending August 28: Cattle 78,122; hogs, 6,628; sheep 115,609.

New Jersey Sacked Irish Cobbler potatoes $1.85-$2.50 per hundred pounds. Long Island Green Mountains $2.24-$2.65. Maine Irish Cobblers, sacked and bulk, $2-$2.15 in Eastern terminal markets. Minnesota Early Ohios $1.90-$2.40 in midwestern cities; $1.85-$1.90 at Minnesota shipping points. New York and Massachusetts Yellow onions jobbed at $2-$2.75 per hundred pounds sacked in Eastern consuming centers and brought $2.15-$2.25 f.o.b. in the Connecticut Valley. Virginia Sweet Potatoes, Yellow Varieties, brought $4.25-$5 per barrel in most cities, lower in Baltimore at $3.50-$4. New Jersey Elberta peaches ranged $2.25-$3.50 per bushel basket in the East. Colorado Elbertas $3.50-$4 in midwestern markets Delaware Concord grapes sold at 75¢-$1 per 12-quart climax basket in Baltimore and Pittsburgh.

Grain prices quoted September 3: No.1 dark northern Minneapolis $1.53-$1.72. No.2 red winter St. Louis $1.74-$1.78; Kansas City $1.69-$1.71. No.1 hard winter Chicago $1.56 3/4-$1.58 1/2; No.2 hard winter St.Louis $1.61; Kansas City $1.57-$1.65. No.2 mixed corn Chicago 98 1/2-99 3/4 cents; Kansas City 91-92 cents. No.3 mixed corn Minneapolis 91 3/4-93 3/4 cents. No.2 yellow corn Chicago 98 1/4-$1.01; St.Louis 99 1/2 cents; Kansas City $1.00 1/2. No.3 yellow corn Chicago 97 3/4-98 3/4 cents; Minneapolis 95 3/4-96 3/4 cents. No.3 white corn Chicago 97 1/2-98 1/4 cents; No.2 white corn St. Louis 99 cents; Kansas City 93 cents. No.3 white oats Chicago 39 1/4-40 1/4 cents; Minneapolis 37 3/4-37 7/8 cents; St. Louis 42 cents; No.2 white oats Kansas City 41 1/2¢.

Average price of Middling spot cotton in 10 designated spot markets advanced 21 points, closing at 22.12¢ per lb. New York October future contracts advanced 21 points, closing at 22.54¢.

Closing wholesale prices on 92 score butter to-day: New York 46; Chicago 44; Philadelphia 46½; Boston 46. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept.3,	Sept. 2,	Sept.3,1924
20 Industrials	139.91	137.22	104.02
20 R.R. stocks	100.67	99.93	90.13

(Wall St. Jour., Sept. 4.)

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DAILY DIGEST

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Vol.XVIII, No. 57 Section 1 September 5, 1925.

COLONEL GREELEY ON CONSERVATION

A Seattle dispatch to the press to-day says: "The whole conservation policy of the United States, built up during the Roosevelt, Taft, Wilson and Coolidge administrations, is facing a crisis, and should the demands of the livestock growers be enacted into law it would mean, in the opinion of Colonel Greeley, head of the Forest Service, the death of the conservation movement. What the cattle and sheep growers of the eleven great public land States are demanding is nothing less, Colonel Greeley contends, than the transfer of the great forest domain from Federal to private control; in other words, to the control of the northwestern and southwestern livestock men. 'I have studied very closely,' said Colonel Greeley, who is accompanying the Senate Committee on Public Lands on its tour of the public domain States, 'the demands of the cattle and sheep men which the national organizations of those men approved at Salt Lake City last week. First of all, they demand the legalization, definition and protection of their rights to use the ranges in the national forest, these rights to be based on an area, and not a per head of cattle or sheep basis, as is now the case. In a nutshell, this would mean that the stock man would have a definite area allotted to him to be grazed as he chose, with as many head of stock as he cared to put on it, and he could keep them there as long as he wanted to. That would mean just one thing, namely, the end of the whole range conservation program of the Government.... In conclusion I want to say that there is justice in some of these complaints on the part of the cattle and sheep men. The business does need stabilizing, and whatever is done should be carried out in such a way as not to upset the business of the old-time stockmen. Their status on the range should be defined, and, personally, I favor with necessary restrictions the granting to them of ten-year leases, and we are now seeking to make that possible. And these contracts should be as binding on the Government as on the stockmen. There should also be in each of these livestock States a Board of Appeals on which the stockmen should be represented and from the rulings of which the stockmen as well as the Government should have the right to appeal to the Secretary of Agriculture. This business can be stabilized and the Government should, wherever possible, aid in bringing this about.'"

GRAIN RATES

Increased rates on grain products from Chicago, Joliet, Lockport and Peoria, Ill., to destinations in Arkansas on the Missouri, Pacific Railroad, were ordered suspended by the Interstate Commerce Commission September 4 until January 3. Hearings will be held on the fairness of the new rates which are approximately 5 cents per 100 pounds higher than the present rates. (Press, Sept. 5.)

COTTON PICKERS WANTED

A New Orleans dispatch to the press of September 4 states that unless aid is sent at once to Caddo and Bossler Parishes, Louisiana, a large percentage of this year's cotton crop there will be lost, according to J.B.Anthony, Caddo Parish, agricultural agent, who sent out a call three days ago for 10,000 cotton pickers. Up-to-date only two have responded. Two-thirds of the cotton is already open, Mr. Anthony states, and the remainder is opening rapidly.

Section 2

Chicago Trade Board Plan

A Chicago dispatch to the press of September 4 states that members of the Chicago Board of Trade September 3 adopted an amendment authorizing the creation of a new system for clearing trades in grain futures. The vote was 601 to 281. By this action, awaited with intense interest throughout the grain industry, the exchange fulfilled a pledge to the Government that constructive measures to further prevent wide price swings would be made operative as rapidly as possible. Frank L. Carey, president of the exchange, declared it to be "a great forward step which will benefit everyone interested in the marketing of grain. In cooperation with the Department of Agriculture, we shall strive to carry out other important measures in the near future," he stated. "By reason of these contemplated changes we expect to meet the other constructive suggestions advanced by Secretary Jardine."

The dispatch further states that proponents of a new clearing house system have expressed belief that a more modern method would have tended to stabilize the market during the orgy of public speculation early this year when a world wheat famine threatened. By the action taken on Thursday, which is regarded as the most important change in recent years, the exchange is authorized by the 1,600 members to proceed with the formation of a new clearing house association to replace the present one, which has been subject to criticism. Details of the plan, which is expected to follow that now in effect at some of the other grain markets, are expected to be worked out in the very near future.

Cotton Crop Estimates

An editorial in The Wall Street Journal for September 3 says: "Whatever estimates, official or unofficial, may have been made of the cotton crop, one thing must be kept in mind--the crop is not yet made. It is still a weather crop, and final returns may differ widely from present prospects. The crop is more apt to be overestimated than otherwise. A new cotton area has come to the front that of itself may radically change the situation. That is western and northwestern Texas, which last year came into prominence with 1,200,000 bales. With a greatly increased acreage its present prospects are for 1,700,000 bales. There is not another State in the whole cotton belt with an indicated crop approximating this new section except Oklahoma, which on August 16 was estimated at 1,693,000 bales. West Texas has an average frost date of October 25. If frost comes early in November the estimate now made may be cut a third. ...Tendency of the average man is to regard rains, especially in Texas, as extremely favorable. But it is no more than a gambler's chance that rain now could help some millions of acres in Texas, Georgia and South Carolina. Undoubtedly the large ginning returns will seem confirmation of large crop estimates, which may be realized. But it is still a weather proposition for a considerable area, making estimates no more than guesses."

Section 3

Department of Agriculture

A Yakima, Wash., dispatch to the New York Times of September 4 says: "That fully 95 per cent of all the national forest rangers, who are the men in actual control of the national forests, are absolutely ignorant of the problems attending their duties, was charged before the Senate Committee on Public Lands, September 3, by officials of the Washington State Wool Growers' Association. These men, all of them big figures in the western sheep industry, practically asked for legislation which would make them independent of the national forest administration, as far as the utilization of the forests for grazing purposes is concerned. The

construction of good roads in the forests was also deplored, as was the use of these forests by tourists. On the other hand the representatives of the cattlemen's organization were not so bold or sweeping in their demands. Statistics were offered in evidence which indicated that in the last three or four years the number of cattle producers has been reduced more than one-third, while the size of the herds, which a few years back grazed on the national forests and public domain, have decreased proportionately. Out of more than 3,500 cattlemen who were permitters in the Umatilla forest, less than three years ago, approximately 33 per cent have been driven out of business, while those who remain are operating at a loss, it was asserted, while scores are facing bankruptcy. The industry, it was testified, was never in a more precarious condition, and it was the argument of those who pleaded the cause of the cowmen, that unless something is done to put the industry back on its feet, the American people will find themselves paying the penalty in meat prices, which may reach mountain high proportions....."

Section 4
MARKET QUOTATIONS

Farm Products

Sept. 4: Chicago hog prices ranged from 20¢ lower to 10¢ higher than a week ago, closing at $13.30 for the top and $11.10 to $13.10 for the bulk. Medium and good beef steers 25¢ lower to 25¢ higher at $6.75 to $14.25; butcher cows and heifers steady to 50¢ lower at $3.65 to $12.50; feeder steers 25¢ lower to $1 higher at $6.25 to $8.50; light and medium weight veal calves 25¢ lower to 50¢ higher. Fat lambs 40¢ to 50¢ higher at $13.75; yearlings 50¢ higher at $9.75 to $12.75 and fat ewes steady at $4.50 to $8.25. Stocker and feeder shipments from 12 important markets during the week ending August 23: Cattle and calves 78,122; hogs 6,628; sheep 115,609.

New York cabbage ranged $30-$40 bulk per ton for Domestic Round type in Eastern markets. New York Oldenburg and Wealthy Apples brought $1-$1.50 per bushel basket in Eastern markets and growers received 90¢-$1.10 at country loading points. Virginia Yellow Varieties sweet potatoes jobbed at $4-$5 per barrel in city markets. New Jersey sacked Irish Cobblers ranged $1.85-$2.35 per hundred pounds in Eastern consuming centers. New York Bartlett pears are selling at $1.75-$2.25 per bushel basket in terminal markets; $1.75-$2 f.o.b. at New York shipping points. Delaware Concord grapes brought 75¢-$1.00 per 12-quart climax basket in Baltimore and Pittsburgh.

Grain prices quoted: No.1 dark northern Minneapolis $1.52-$1.70. No.2 red winter Chicago $1.69 1/4; St. Louis $1.75-$1.79; Kansas City $1.70. No.2 hard winter Chicago $1.58 1/2; St. Louis $1.59-$1.65; Kansas City $1.60-$1.67. No.2 mixed corn Chicago $1; Minneapolis 90 cents; Kansas City 92 1/2-93 1/2 cents. No.2 yellow corn Chicago 99 1/2-$1.02; Kansas City 99 cents; St. Louis 99 cents. No.3 yellow corn Chicago 99 1/2-$1.02; Kansas City 99 cents; St. Louis 99 cents. No.3 yellow corn Chicago 99 1/2-$1.01; Minneapolis 94 1/2 cents. No.2 white corn Chicago $1; St. Louis 99 cents. No.3 white oats Chicago 40 cents; Minneapolis 37 cents. St. Louis 41 1/2 cents; No.2 white oats Kansas City 40 1/2 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 9 points, closing at 22.03¢ per lb. New York October future contracts declined 15 points, closing at 22.39¢.

Closing prices on 92 score butter to-day: New York 46½; Chicago 44½; Philadelphia 47; Boston 46.

Industrials and Railroads

Average closing price	Sept. 4,	Sept. 3,	Sept. 4, 1924
20 Industrials	140.88	139.91	102.77
20 R.R. stocks	101.36	100.67	89.45

(Wall St. Jour., Sept. 5.)

DAILY DIGEST

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Vol.XVIII, No. 58 Section 1 September 8, 1925

MIDWEST FARMERS MEET FOR RATE DISCUSSION

A Chicago dispatch to the press to-day states that representatives of agricultural organizations of the Middle West met at Chicago September 8 to complete plans for entering the fight which the railroads of the country will open before the Interstate Commerce Commission to-day to obtain a rise in freight rates. At previous conferences in Des Moines and at Kansas City twenty-four different farmer societies effected a combination for the fight, which will be carried on jointly. Among the leaders will be Fred S. Jackson, formerly Attorney General of Kansas; William Hirth, Columbia, Mo., and Attorney Ruby M. Hulen. The railroads are relying on provisions of the Esch-Cummins law, allowing them the right to a return of 5 per cent on their investment and permitting a raise in freight rates to make this possible. On the other hand, farmers are supporters of the Hoch-Smith resolution sanctioning special favors in the matter of rates on farm commodities, while still a third faction supports the idea of dividing up the excess profits of the larger and stronger roads among the smaller lines by adjusting the rates on joint hauls. "A larger rate such as the roads ask for will do no good," says Mr. Jackson, spokesman for the farmer organization. "It will simply increase the returns of the larger lines. What should be done is to adjust the division of the charges, allowing these small lines a larger percentage of the freight rates on the joint hauls. I think it is right for the short lines to charge the same as the others. I think, too, it might be well to give the roads the right to charge more in cases where they have a monopoly of the territory they serve." The hearings are scheduled to last until September 16.

NEW COTTON TRADING RULE

The press to-day states that Richard T. Harriss, president of the New York Cotton Exchange, called attention yesterday to an important change in the rules governing trading in cotton designed to eliminate the congestion which sometimes has occurred toward the end of the month. "The cotton trade generally is greatly interested in the amendment to Rule 10 of the New York Cotton Exchange, which was adopted last December and which becomes effective for contracts maturing in December, 1925, and thereafter," Mr. Harriss said, "whereby all trading in the current month will cease at noon on the tenth day thereof. If the tenth day should fall upon a Sunday or a holiday, trading will cease at noon on the preceding business day. It is generally believed that this change will prove very satisfactory in what is expected to eliminate the congestion which at times has occurred in the past when trading in the current month continued until within five business days of the end of the month."

SYNTHETIC MEAT

An Ottawa dispatch to the press of September 7 says: "Synthetic beef steaks made from cottonseed are forecast by Dr. Davis Wesson, of New York, former president of the American Institute of Chemical Engineers. Speaking before the Ottawa section of the Society of Chemical Industry, he said, recent investigations by the United States Department of Agriculture showed that the protein of cottonseed closely resembled that of meat. It was only a question of time before chemists discovered how to produce a meat substitute from the seed."

Section 2

Canadian Cattle Export

A dispatch from Edmonton to the press of September 4 states that if present plans are followed out, the Livestock Producers of Canada, the big feeding and exporting firm which has its feeding headquarters at Edmonton, will, during the coming winter, double the scale of its operation locally, which means that at least 20,000 head of cattle will be exported from the Edmonton district in the course of the next season. Mr. H. P. Kennedy, of Toronto, president of the company, has just returned from a trip to Great Britain, where he found that not only are finished Canadian steers in demand, but there is an unlimited market for store cattle to be put in marketable condition on Scottish and English farms.

Cooperation in Finland

Harold Scarborough, writing from Finland to The Baltimore Sun of September 3, says: "Cooperative buying and selling has probably made further advances in Finland than in any other country. The Pellervo Society, formed to promote cooperation before cooperation had any practical existence here, celebrated its twenty-fifth anniversary last year. In most countries central organizations for the management of cooperative business usually have followed the formation of small neighborhood units, which have decided that a central head and management is necessary for them, but in Finland the reverse has been the case. Having arranged for the organization of such units, the Pellervo Society then devoted its attention to central organization, and thus worked outward. Various reasons are given for the success of the cooperative movement here . The chief ones are that about ninety per cent of the population live in rural communities or small villages, and that the people are so scattered it would be impossible that adequate stores for buying or selling could be maintained out in the country. Another reason is the naturally thrifty character of the peasants, who want to cut out all middle profits and overhead expenses as far as possible. Still another is that the number of farmers with good education is small, and the peasants feel that it is best for them to have experienced business men represent them in their dealings with the outside world....The local cooperative societies are distributive of consumers' societies and credit societies, which have done an important work in enabling their members to get needed credit at fair rates. The most important are the distributive societies, and their membership is nearly double that of the credit societies. Ninety per cent of the stores are in the rural districts, and many of these act both as buyers and sellers, taking in the produce of the members and giving them goods or cash in exchange, just as country stores do in the United States....Cooperation seems peculiarly adapted to dairying, and almost the whole dairy trade of the country is conducted in that manner. The first twenty-eight cooperative dairies were established in 1902. The Government has helped by granting loans at low interest up to one-half the first cost of starting dairies. Many of the dairies have established side lines, such as sawmills, flour mills, electrical plants and purchase of tractors for rent. Both the dairies and the consumers' societies add almost the whole of their surpluses to their reserve funds....."

Cottonseed as Feed

P.O. Davis, of Auburn, Ala., writing in Manufacturers Record for September 3, says: "Although it is not generally regarded as such, one of the big contributions made to the agricultural wealth of the Southern States is the production of cottonseed, having an annual farm value of $175,000,000 or more. Just why the value of the seed is not more fully

appreciated is difficult to explain, except perhaps that it is overshadowed by the value of the lint. Likewise, it is difficult to explain why farmers in other sections of the United States, and also in Europe, appreciate cottonseed meal far more as a feed than do the farmers of the South where it is produced. Lack of appreciation and failure to feed it are now costing the South millions of dollars each year. The loss is in the form of nitrogen carried off the farms when cottonseed meal is shipped away, feed imported which it would replace, and also in the form of profits which were missed because southern farmers failed to feed it at home. For several months, L. T. Wells, dairy specialist for the Extension Service of the Alabama Polytechnic Institute, Auburn, has been making a thorough study of cottonseed meal as a feed, not only for dairy cattle and beef cattle but for horses and mules. He found that the South produced last year approximately 1,515,918 tons of cottonseed meal, which at $40 a ton was worth $60,636,720. Since only a part of the total seed produced is ground into meal, and that in manufacturing this meal 979,000,000 pounds of cottonseed oil, 941,000 tons of hulls and 670,000 bales of linters were secured, this figure does not by any means represent the total contribution to the agricultural wealth of the South by cottonseed."

Hunting and Farm Lands

An editorial in The Field Illustrated for September says: "Members of the Walden, N.Y., Sportsmen's Club met with farmers in Orange and Dutchess County recently to discuss the proposed posting of farm lands. The plan has met with general approval. The only point involved concerns the question of whether the farmers, in allowing privileges of hunting and fishing to friends who may not be members of sportsmen's clubs, would be signing away their personal rights. Secretary Swinden of the Walden Club stated that fact clearly when he explained that clubs only desired the privilege of having the hunting and fishing on farm properties and in return they desired to post the farm lands to keep off the pirates and pot hunters. The plan now proposed is that a committee of farmers meet with a committee of sportsmen and draft rules agreeable to both. It is well that sportsmen and farmers are getting together by common agreement; both will profit. The sportsman will have his season of hunting and fishing and the farmer will receive adequate protection for his property. In times past, where properties were posted without any definite understanding as to the farmers' rights, both the sportsman and the farmer suffered. Under the proposed regulations the farmer will control the situation completely, while the sportsman will be wholly responsible for the proper care and protection of farm land. This is as it should be. Every good sportsman will safeguard the interests of farmers on whose lands he is privileged to hunt and fish and the invader and pot hunter will think twice instead of not thinking at all, before he attempts to impair or invalidate a gentleman's agreement."

"Individual Transportation"

A. W. Shaw, editor of System, in the September issue days: "I have an idea that if it were put up to some master salesman to sell these United States of ours he would set about the task by putting his best prospects into automobiles and taking them as far in every direction as our fine new roads reach. And I do not believe he would return with a single unenthusiastic prospect. Moreover, he would have utilized a force that is doing more to transform our country--and therefore our business--than many of us have the time fully to realize, perhaps.

I refer to transportation in general, and in particular to 'individual transportation.'.....And 'individual transportation' it is, which, perhaps to a greater extent than any other factor, has been--is now--making this country over under our eyes. It is pulling out our cities into far-flung suburbs, yanking our towns into cities, putting Florida in its rightful place on the map, slapping the farmer out of his shell, adding hours to our days....But certainly among the most significant of the many changes brought about by 'individual transportation' is that affecting the farmer. For what affects the farmer vitally affects the underlying trend vitally--and when the underlying trend is vitally affected, we are all affected. 'Individual transportation' has, as a matter of fact, practically made the farmer's mode of life over....."

Potato Exchange Quits — A Houlton, Me., dispatch to the press of September 5 states that dissolution of the Maine Potato Exchange, a cooperative organization of 3,500 Aroostook and Piscataquis County farmers for the growing and marketing of potatoes, was announced September 4 by the management. It was said that large members of the exchange during the last few months had mortgaged their crops to dealers leaving an insufficiency for the exchange to handle.

Synthetic Milk — An editorial in Manufacturers Record for September 3 says: "Henry Ford may be a very smart and brilliant man in many ways, but he sometimes makes mistakes. He claims that the cow is not a useful animal, but is an expensive factor on the farm, and he suggests the substitution of synthetic milk for cows' milk. Mr. Ford is dead wrong. He may know a lot of things about machinery and the tin business and iron and steel making and running railroads, but he is off the track when he claims that the cow is an uneconomic factor in farm life. The cow is one of Nature's greatest and most useful manufacturing creations. The cow requires but brief attention during twenty-four hours. She partakes of the raw material for food, which enters her system and produces as a finished product the most wholesome food in the world and, as a by-product, the best fertilizer known to mankind. Wherever the cow exists in sufficient numbers, prosperity prevails on the farm, the land is steadily enriched, giving forth larger crops, and the milk furnishes all the varied products of the dairy infinitely better than all the synthetic or artificial food which the genius of man can bring forth. Mr. Ford's statement is a slander on the cow. She is one of the best gifts of Heaven for the benefit of humanity. Talk about abolishing the cow as an uneconomic factor--one might as well talk about abolishing the sun and depending upon artificial light."

Wheat Held By Growers — An Oklahoma City dispatch to the press of September 4 states that 30 to 40 per cent of the season's wheat crop in Oklahoma remains in possession of growers, according to estimates approved by L.O.Street, of Woodward, president of the Oklahoma Grain Dealers' Association, and E. A. Fariss, manager of the Trail Grain Company, at Trail, Okla.

Section 3

Department of Agriculture — W. B. Sheppard, of Jackson, Wyo., writing in to-day's New York Times, says: "Mr. Hornaday's fulminations against the Bureau of Biological Survey and the American Game Protective Association make what Horace Greeley used to call 'mighty interesting reading,' to me at least. There is not the slightest doubt that the bag limit on ducks, fixed under the Migratory Bird act, is far too high, and just as little that since

the enactment of that legislation ducks have decreased rapidly. It is difficult to ascribe motives. Why the bureau and the association favor the limit is not obvious. But their attitude in this matter accords wit the experience of the writer with both covering nearly twenty years. Neither will do much, if anything, for wild life if by so doing powerful interests are antagonized. For all that either or both were willing to do in behalf of the Wyoming elk, these noble animals would long ago have perished from the earth."

Section 4

MARKET QUOTATIONS

Farm Products Chicago hog prices ranged from 20¢ lower to 10¢ higher for the week ended September 4. Medium and good beef steers 25¢ lower to 25¢ higher; butcher cows and heifers steady to 50¢ lower; feeder steers 25¢ lower to $1 higher. Fat lambs 40¢ to 50¢ higher; yearlings 50¢ higher and fat ewes steady.

New York cabbage ranged $30-$40 bulk per ton for Domestic Round Type in Eastern markets; and $20 at New York shipping points. Sweet potatoes tend downward in most city markets, strengthened at shipping points. Virginia Yellow Varieties jobbed at $4-$5 per barrel in city markets, $3.85-$4 f.o.b. at East Shore Virginia points. Potatoes sell lower than a week ago. New Jersey sacked Irish Cobblers ranged $1.85-2.35 per hundred pounds in Eastern consuming centers. New York Bartlett pears are selling at $1.75-2.25 per bushel basket in terminal markets; $1.75-$2 f.o.b. at New York shipping points. Delaware Concord grapes brought 75¢-$1.00 per 12 quart climax basket in Baltimore and Pittsburgh.

Cheese markets irregular and lower. Prices on Wisconsin Boards at close of the week showed tendency toward further slight reductions. Trading inclined to be slow and is being done with caution. June cheese beginning to move in a small way at distributing markets.

Hay market irregular with local conditions governing markets. Demand centering on better grades. Damaged or heating hay slow sale. Timothy averaging easier. Prairie and alfalfa practically steady.

Millfeed markets quiet. Wheatfeeds extremely weak in Southwest. Lower prices also prevail in Northwest and $22 is best bid offered for season bran in Minneapolis. Heavier production of wheatfeeds and increased mill offerings. Interest in futures generally lagging. Cottonseed meal easier and quoted about $1 per ton lower for all percentages, supplies and offerings good. Linseed meal steady despite increased production. Cornfeeds unchanged and in good supply but in rather light demand.

Favorable reports of threshing returns in Canada and slow export demand causing weakness in wheat market and future prices declined about 4 cents for week. Corn market has made sharp advance on fear of crop damage caused by continued dry weather in Central and Northwest. Oats steady with corn and good demand.

Average price of Middling spot cotton in 10 designated spot markets declined 31 points for the week. New York October future contracts declined 17 points. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 59 Section 1 September 9, 1925.

RUBBER PLANS ATTACKED

An Associated Press dispatch from Manila to-day says: "Senator Jose Clarin, chairman of the Philippine Senate Finance Committee, September 8 attacked the plans of American interests to exploit rubber lands at Mindanao, in an address before the Senate. He protested against any possible action by Congress in modifying the Philippine land laws in order to facilitate control of Mindanao Island by powerful American interests operating on the excuse that the rubber industry would be developed. Senator Clarin declared the Jones law gives the Philippine Legislature alone the power to enact laws affecting the islands."

GEORGIA FARMERS TO ASK ROAD WORK

The press to-day states that an unusual plea will be submitted to the Federal authorities Friday when a delegation of Georgians from the drought-ridden sections of their State will ask that the Bureau of Public Roads, Department of Agriculture, speed road building in Georgia to give employment to idle farmers and their teams in the arid zone.

COTTON TO RUSSIA

A Galveston dispatch to the press to-day states that the All-Russian Textile Syndicate, Inc., which purchased and exported a large amount of Texas cotton to Russia last season, is preparing to increase its exports for the coming season, according to information received at Galveston. The Oleander Compress and Warehouse Company, which handled the bulk of the syndicate's cotton last season, is constructing an addition to its plant sufficient to handle 8,000 bales, which, with present facilities, will bring the total capacity up to 35,000 bales.

MONEY RATES

Failure of money rates to rise more sharply in the United States along with expanding business activity is ascribed in the current American Bankers Association Journal to the fact that this country now "has a new order of banking. Factors that used to bring about higher rates at the first signs of tighter money no longer exert the same force. In short, the American banker, in considering money rate movements, must orient himself on a new base." The article presents an interview on the subject with John McHugh, president of the Mechanics and Metals National Bank of New York, whom it quotes as follows: "We now have a co-ordinated system of banking instead of thousands of banks acting independently. The Federal Reserve System has made possible the pooling of our resources and has given us the mechanism for increasing the supply of credit at any time the demand increases without causing rates to go a-soaring. Before the war the moving of crops and the seasonal demand for credit for industrial purposes placed a strain on the credit supply. Even though we now have a new order of banking, it seems that many bankers look for a recurrence of this historic advance. Those days have passed. The reasons money rates do not go up are the comparatively low Federal Reserve rate, the co-ordination furnished through the Federal Reserve System and the confidence on the part of member banks that they can go to their Federal Reserve bank at any time with paper eligible under the law and convert it into cash or credit on short notice. The days of 'high' money rates are over unless the Federal Reserve rates are substantially increased....."

Section 2

Australian Beef Market

A cable report received at the office of the Australian commissioner states that prices for beef cattle have stiffened considerably throughout the Australian markets since July. In Sydney and Melbourne, quotations for fat cattle moved up as much as 2 pounds per head, and the Brisbane market followed also with a decided improvement. The sheep and lamb season is still backward in Victoria and New South Wales, and consequently very few carcasses, probably not exceeding 20,000, have been treated for export purposes. Market prices have naturally tightened, but now seem to have reached top levels in both States. The exports will of course be reduced in the near future, but, provided that the prices in England are maintained, a fairly large export movement is expected in October. (Press, Sept. 8.)

Banker Agricultural Courses

The Banker Farmer for September says: "Much interest and publicity have been given to the success of the short course for bankers as conducted by the agricultural committee of the Nebraska Bankers Association in cooperation with the Nebraska College of Agriculture. The effort deserves all the praise it has received. The results were accomplished by careful planning, effective advertising, and persistent team work on the part of all who were responsible. This extended over a period of six months. We asked Dan Stephens, the chairman of the agricultural committee, to give us the steps that in his judgment made possible the success of the short course. His reply is briefly summarized as follows: 1. Acquainting the bankers of the State with the merits of the undertaking. This was accomplished by sending out several form letters at different times. 2.Giving publicity through newspapers and periodicals.....3. Working up interest and enthusiasm for the plan at all of the group meetings and at the State convention.....4. Early in the campaign the agricultural committee met with the officials of the College of Agriculture and mapped out a program. The features of this program were announced through the various methods of publicity and especially in all the literature. 5. Near the close of the campaign a circular letter was mailed enclosing a complete program of the short course, and urging each bank in the State to have a representative present....When the Nebraska committee started to work upon this short course for bankers they had as much indifference to overcome as would be encountered in any State. The success of the undertaking is an outstanding example of what can be accomplished by careful planning and by 'teaming in' with other agencies to put over a worth while program."

Farm Financing

An editorial in The Banker Farmer for September says: "Chambers of commerce and other business organizations are frequently called upon to put up $5,000 to $10,000, more or less, in order to induce some manufacturing concern to locate in their town and establish a weekly pay roll. Some of these concerns are good; others not so good. It is a mooted question as to how far this kind of support should be encouraged, especially with those industries whose future success is somewhat questionable. In our eagerness to build up our town we are very apt to overlook the development of the farm factories which surround the town by hundreds, and which are now operated far below their maximum capacity for quantity, variety, and quality of products. In many cases if the same amount of money given to new industries were used to develop the farm factories which we already have it would bring many times the returns to the town and the surrounding country. The inefficiency of many of our farms is appalling. The soil is impoverished, the seed is impure, cultural methods are antiquated, the

sires are grades or scrubs, and the beef and milk production in consequence is below what it ought to be per unit. Farm improvement by increasing quality and decreasing production costs, coupled with economic marketing, will accomplish the same thing as a new factory pay roll, and frequently much more."

Flour Milling An editorial in The Northwestern Miller for September 2 says: "Referring to recent comment on this page on the current situation in flour milling, with especial emphasis on the prospect for a reduction in flour production this year, a miller writes to say that his company has definitely closed one of its plants and will make no great effort to run the other to full capacity. This action is taken, not only in the interest of operating economy, but to adjust its flour output to conditions as the owners interpret them. 'Many mills in central states,' the writer continues, 'have not attempted to run more than half time for the past three or four years. One miller told me recently that he is undertaking to operate but 1,100 of his 2,500 barrels capacity, and that for six months past even that unit has been running only part time. I believe that in this action lies the solution of the present problem of flour milling. For ourselves, we believe we will make more money with the single unit that we would be undertaking to keep both plants going.' Sound doctrine without a doubt, not only for this year with its limited wheat crop and probable severe reduction in export outlet, but for every year in future. The theory that it is only by maximum activity that a flour mill can be made to earn a profit has long been on the wane, and doubtless will soon be entirely abandoned....Heretofore, it has been the practice of an undoubted majority of millers to base cost on theoretical full-time operation, although few of them ever produce at that rate for more than a few months of each year."

French Foreign Trade Exports from France exceeded imports by 451 million francs during the month of July according to figures compiled by the French customs authorities and transmitted to the Bankers Trust Company of New York by its foreign information service. Exports for the month were 3,484,373,000 francs and imports were 3,033,549,000 francs. Exports show a decrease of 22,161,000 francs over the month of June but are nearly 500,000,000 francs higher than for July 1924. Imports are 42,306,000 francs higher than in June of this year and roughly 33,000,000 francs lower than in July 1924. For the first seven months of 1925 France's favorable trade balance amounts to nearly three and a quarter billion francs.

German Grain Tariff An editorial in The Northwestern Miller for September 2 says: "Recent advices from Germany indicate that the new tariffs, including the high duty on grain and the probably prohibitive one on wheat flour, were adopted only after stormy scenes in the Reichstag. Herr Luther, in proposing the new tax measure, was frank in stating that the exact effect of the higher tariff on domestic prices could not be predetermined. He admitted that large sections of the population were suffering as the result of the high cost of living, but, with nearly every country in Europe striving to upbuild its own industries through high rates of duty on imports, he saw no other course open to Germany. There is, of course, little ground to question the truth of this as a general statement. It is, however, difficult to see just how it applies to the imposition of heavy duties on the primary food, and even more difficult to accept it as justifying so gross a discrimination against flour and in favor of wheat.

Obviously, this is wholly in the interest of German millers, but equally obviously the people will find it a heavy price to pay for the presumed future prosperity of the country's milling industry."

Louisiana Cotton Marketing A New Orleans dispatch to the press of September 8 states that nearly double the amount of cotton will be handled this year, as compared with last, by the Louisiana Farm Bureau Cotton Growers' Association. The purpose of this association is to prevent the dumping of cotton, to secure its orderly marketing at the best prices. It is expected between 40,000 and 50,000 bales of cotton will be handled by the association. Fifteen cents a pound is advanced to members as soon as their cotton is turned over to the organization.

Onion Seed Control A Laredo, Tex., dispatch to the press of September 8 states that an effort on the part of speculators to control the Bermuda onion seed crop of the Canary Islands met with failure, and the Texas growers of the odoriferous bulbs have been able to purchase from T. M. Reid, of London, a sufficient supply of seed for this season's planting purposes. One shipment of 16,000 pounds of Bermuda onion seed has just arrived here from Teneriffe, Canary Islands. It is sufficient to plant 5,500 acres.

Road Improvement An editorial in The Washington Post for September 8 says: "More than a billion dollars will have been spent in the construction of rural highways in the United States this year and it is estimated that the expenditures next year will exceed this sum. Considering that far the greater part of rural road improvement in this country has come since the war, the progress made in the last few years is almost amazing. What is more, it gives promise that within the next ten years America will have the most complete system of highways that any country has ever known. It also encourages the belief that the character of roads to be constructed in the future will be vastly better than now in existence, and that the time is not far distant when the highways will be of such width that the danger of accidents in motor traffic will be greatly lessened. Some enthusiastic road experts foresee the time when the highways will be so constructed that there will be separate roads for freight and passenger traffic, and one-way boulevards separated into four lanes in each of which the traffic will always be going in one direction. Such a system would minimize the number of accidents and expedite business. The time also will come, some believe, when the highways will be so lighted that travel at night will be almost as safe as in the daytime....."

Russian Eggs to Germany A Berlin dispatch to the press of September 8 states that importation of large shipments of eggs from Russia is imminent. A Berlin syndicate has concluded a reciprocal agreement with the Russian Society of Bread Products by which the German syndicate is guaranteed shipments of Russian eggs valued at 70,000,000 marks. During the present year 600 carloads of Russian eggs will be imported into Germany, while next year the shipments will be increased to 2,000 carloads and in 1927 to 2,700 carloads.

Wheat Market Financing "Financing the Marketing of Wheat" is the title of a lengthy article by John M. Chapman in Harvard Business Review for July. In this Mr. Chapman says: "Under pre-war conditions the task imposed upon the banks was a large one, but under post-war conditions the burden placed upon the banks has been greatly increased. The failure of the farmers to realize profitably upon their crops has made it necessary for the banks, in some

grain sections of the country, to use every available means at their command to save not only the growers but the banks themselves. These efforts, in many cases, did not prevent large losses and even bankruptcy for both banks and growers. The economic conditions of the wheat producers and the local banks supporting them had become so serious that many efforts, both on the part of the Government and business men, have been made to improve the status of the producers. The Federal Government passed a law providing for the United States Grain Corporation, which was intended to grant seed loans to farmers in the Northwest. The Agricultural Credit act, passed March, 1923, was to provide short-term intermediate credit for the producers. Many States, during this period, passed cooperative marketing laws. As a result of this legislation, many cooperative associations and other private organizations were formed to improve marketing methods or to provide financial assistance for the growers. A ten-million-dollar corporation was formed in Minneapolis to assist in financing the banks and, through them, the farmers. Although progress has been made, much remains to be done before the production of wheat is placed on a satisfactory basis. A complete study of wheat financing would involve a discussion of the sources and amounts of fixed capital needed by the farmer for buying his farm and equipment, as well as the short-term or working capital to provide seed, fertilizer, labor for planting, cultivating, harvesting, and marketing the crop. This would include a description of the needs and methods involved in financing the growers, the millers, the elevators, the grain dealers, the commission men, the cooperative marketing associations, the exporters, and other middlemen. This paper deals with the problems involved in financing the crop after the wheat has been delivered to the country elevator or warehouse by the grower. This includes the payment to the grower for his crop."

Section 3

Department of Agriculture

An editorial in Kansas City Drovers Telegram for September 4 says: "The new departure by the United States Department of Agriculture into the realms of price forecasting was a natural outcome of the new departure into the realm of crop forecasting. The helpfulness of these two new functions of the department to the agricultural industry is yet to be demonstrated--if it can be demonstrated. It is declared by those officials responsible for the 'intention to plant' and the 'intention to breed' plans of forecasting grain and livestock production that such knowledge gives the farmers a chance to increase or decrease production as seems advisable, based on the forecast of excess or subnormal production, and that thereby this knowledge acts automatically toward standardization of production. However, it is yet to be demonstrated that publication of such pre-crop information will not change the minds of farmers sufficiently to cause a shortage of yield where an excess was indicated, and an excessive yield where a shortage was indicated. Any way, the latter is more in keeping with human nature. But baneful as may be this departure of predicting crops in influencing farmers to change their minds to their own possible undoing, it has not so great a field for financial destructiveness as the latest scheme of forecasting prices. No market agency, market newspapers, commission men, bankers, or economists, ever have had the nerve to invade the field of price forecasting. It is too fraught with disaster both to the prophet and the party accepting and following the price revelation. But the Government isn't afraid of it because the Government isn't responsible. The Government would go right along in the business of forecasting, immune from attack, even though a million farmers were to go broke in a single

season by following the theory of the wise men of Washington....Theory never works out as it is expected to when economic conditions are in opposition. It is easy for a Government employee to sit in Washington and figure what the market ought to do based on what the supply figures show, but simply because he is a Government agent is not sufficient excuse for him to unload his theory on the farmer in an effort to influence the farmer in his business or farming deals....."

Section 4

MARKET QUOTATIONS

Farm Products

Sept.8: Grain prices quoted September 8: No.2 red winter Chicago $1.71; St. Louis $1.73 to $1.76; Kansas City $1.70 to $1.71. No.2 hard winter Chicago $1.56 1/4 to $1.57 1/2; St. Louis $1.58 to $1.60; Kansas City $1.56 to $1.65. No.2 mixed corn Chicago 98 3/4 to $1; Kansas City 93¢. No.2 yellow corn Chicago 99¢ to $1.00 1/4; St. Louis $1 to $1.00 1/2; Kansas City 99 1/4¢. No.3 yellow corn Chicago 97 1/2 to 99¢; No.3 white corn Chicago 97 3/4 to 99¢; No.3 white oats Chicago 39 to 40 1/4¢; St. Louis 40 1/2 to 41¢; No.2 white oats Kansas City 41¢.

Chicago hog prices closed at $13.25 for the top; bulk of sales $11 to $13.10; medium and good beef steers $6.90 to $14.50; butcher cows and heifers $5.40 to $12.50; feeder steers $6.50 to $8.65; light and medium weight veal calves $10.50 to $13.25; fat lambs $14 to $15.85; feeding lambs $13.75 to $15.75; yearlings $9.75 to $12.75; fat ewes $4.50 to $8.25.

New York cabbage, domestic Round type, sold to jobbers in eastern markets at $25 to $35 bulk per ton and at $17.50 to $20 f.o.b. Rochester. Maine Irish Cobbler potatoes, sacked and bulk, brought $2 to $2.15 per 100 pounds in eastern cities. New York and Massachusetts yellow onions ranged $2 to $2.75 per 100 pound sack in the East. Virginia yellow sweet potatoes mostly $4 to $4.75 per barrel in leading markets; $3.75 to $3.90 f.o.b. East Shore points. New York apples, Wealthys, sold mostly around $1.25 to $1.50 per bushel basket in eastern markets; $1 f.o.b. Rochester.

Middling spot cotton in 10 designated markets advanced 55 points, closing at 22.58¢ per lb. New York October future contracts advanced 60 points, closing at 22.99¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Sept. 8,	Sept. 5,	Sept. 8, 1924
20 Industrials	140.86	141.30	101.26
20 R.R. stocks	101.58	101.63	89.07

(Wall St. Jour., Sept. 9.)

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Vol. XVIII, No. 60 Section 1 September 10, 1925

AGRICULTURAL CONFERENCE

A Swampscott, Mass., dispatch to the press of September 9 says: "President Coolidge is withholding definite decision on a number of important questions confronting the administration until he can consult with advisers in Washington. One of the problems to be dealt with on the Executive's return to Washington is whether the agricultural conference should be reconvened to complete its survey of the farm problem. Mr. Coolidge is of the opinion it should be given opportunity to draft final recommendations to Congress, but is awaiting the view of Secretary Jardine as to whether the step is advisable....."

TAX CUT DISCUSSED

A Swampscott, Mass., dispatch to the press to-day says: "President Coolidge's last day here was marked by cheering news from Nicholas Longworth of Ohio, who will be the next Speaker of the House of Representatives. Mr. Longworth told the President that the next Congress would reduce the taxes between $350,000,000 and $400,000,000, and that this would be done before Christmas, in time to make the reductions effective on the 1924 incomes returnable on March 15 next."

COTTON BODY TO MEET

A Boston dispatch to the press to-day announces that the National Association of Cotton Manufacturers will hold its annual meeting in that city on October 14 and 15. President Morgan Butler, of Boston, will preside and Francis Vernon Willey, president of the British Federated Industries and former Member of Parliament, will speak at the annual banquet on the evening of the final day.

FOOT AND MOUTH DISEASE

A Houston, Tex., dispatch to the press to-day says: "Officials of the hoof and mouth quarantine faced more work September 9 as a result of a new outbreak of the disease on Tuesday on the Molk Dairy Farm between Park Place and Harrisburg, involving eighty cattle and causing a further extension of the closed quarantine area. Preparations are being made to slaughter the cattle. All roads in the restricted areas, except the main Galveston-Houston highway, will be closed nightly beginning to-day."

TRACTORS IN RUSSIA

A Moscow dispatch to the press to-day says: "Gradually the American tractor is making triumphant progress in Russia. Up to 1914 there had been imported into Russia only about fifty tractors. At the beginning of this year the Government had brought its purchases up to 4,835. The importing program for this year provides for the purchase of an additional 5,000."

Section 2

British Agriculture

An editorial in Country Life (London) for August 29 says: "The index of current agricultural conditions is generally accurately reflected in the livestock and cropping returns which are taken every June. The figures for 1925 have just been issued, and their significance is well worth noting. In accordance with expectations, there has been no diminution in the practice of laying down arable land to grass. The fruits of war-time toil and expediency have long since disappeared, and by a decline of 249,000 acres during the year, the arable area is now 318,000 acres less than in 1914. This is a position sufficiently grave to warrant the attention of the Government, if only out of consideration for the national security and the maintenance of a healthy and contented rural community. So far as the arable returns are concerned, there are few bright features. In only a few instances have marked crop increases occurred. Thus, the sugar-beet crop shows a satisfactory development, in that, with an acreage of 54,700, it is more than double that of 1924. The area occupied by potatoes is 493,000 acres, a 9.1 per cent increase, but it does not necessarily indicate that a reduction in prices will occur, as in some areas the crops are particularly light. In the case of all the other farm crops, with the exception of barley, hops, Brussels sprouts and temporary leys, decreases have been recorded. In turning from crops to stock, there is a brighter situation, though here, again, there are disquieting features. The profitable nature of cattle and sheep breeding is well established in the returns. Considerable increases have taken place in every section of these two classes of stock. The increase in cattle has been common to all counties, and it is particularly interesting to note that in Cheshire there are more dairy cattle than in 1923, which was the year when so many good herds were wiped out by foot-and-mouth disease. With a total of 6,163,300, cattle are over the pre-war number, and have increased by 269,000 since last year. Sheep breeding suffered greatly during the war, and it is particularly welcome to note that the attempts to regain the pre-war level are well maintained. Thus, in this section the greatest increase of all is recorded. An increase of 1,131,200 over the 1924 figures brings the total up to 15,974,000. In the pig world there has been a set-back. The 1924 level, which constituted a record, has not been maintained. A reduction of 585,500 makes the total 2,645,000.....The least satisfactory feature in British stock breeding is the decline of interest in horse breeding. If the figures are to be utilized as they are intended to be, several unpleasant inferences are to be drawn from the fact that there are only 44,800 foals this year, which is well under half the number bred in 1914. If double the number was necessary in 1914, then, even allowing for the reduction in the arable portion and the increase in motor transport the present rate of breeding is likely to cause a shortage of farm teams before long. The total number of agricultural work horses is 773,100, and this is only 18,000 less than in 1914, but it is in the unbroken horses and foals that the shortage occurs."

Corn Borer in Canada

An editorial in Ontario Farmer for September 5 says: "Investigation and quarantine to the contrary, the European corn borer is continuing to increase in numbers and to spread to new areas every year. Reports from Essex and Kent Counties tell of corn fields where every stalk is riddled by a dozen or more of these caterpillars. During the past month several prominent farmers of those counties have stated that they are

through with corn-growing until the borer is suppressed, as to grow corn and fight borer at the same time takes too heavy a toll of the labor supply. Such a condition, reached in such a short space of time, (for it is a comparatively short time since the borer was first accidentally introduced into Ontario) is really alarming....If the corn crop is not to be utterly doomed, pressure must be brought to bear more forcibly upon the negligent. As it is a physical impossibility to have every farm inspected to see that any regulation, such as the plowing under or burning of old stalks and stubble is being thoroughly carried out, it is our suggestion that the growing of corn in the corn borer quarantine area be prohibited for at least one, or perhaps two or three years, according to the decision of the entomologists in charge of corn borer investigation. ...We realize that such a move would be very drastic, and could not be undertaken without giving the Province at least one year's notice."

European Conditions

J. Walter Drake, Assistant Secretary of Commerce, just back from a trip through Europe, where he made a study of economic conditions affecting American trade, said to representatives of the press, September 8, that he found unmistakable appearance of fundamentally improved conditions in Europe. Mr. Drake visited Great Britain, France, Belgium, The Netherlands, Germany, Switzerland and Italy. "Generally speaking the agricultural population is all employed," Mr. Drake said, "with good prospects for successful results this year. In the industrial field, while it is apparent that progress is being made, particularly in some localities, yet as a whole there is nothing that should cause the American business man to be stampeded into the fear of European competition. Typical American production methods have been copied to a somewhat larger extent than formerly, it is true, but there are many reasons why European countries can not compete in a productive way with American industry...."

Immigration Facts

An editorial in The Journal of Commerce for September 9 says: "Our immigration records for the fiscal year ended June 30, 1925, the first full year of the operation of the existing immigration act, are well worth some careful thought. To the thoughtful elements in the population the statistics thus presented, particularly when coupled with the rather evident intention of the American Federation of Labor to go to further lengths if it can in excluding foreign labor, certainly suggest some very real dangers. The pertinent facts are: Total incoming aliens, 294,314; total departures, 92,728, leaving a net influx of aliens of 201,586. Net inflow of 42,422 skilled laborers, as compared with 143,616 during the preceding year. Net farm labor immigration 14,762, as compared with 27,233 during the year before. Net loss in unskilled laborers 15,106, as compared with a gain of 70,742 during the previous twelve months. There was a substantial net outflow of peoples to south and southeastern Europe, including departures to Italy of nearly 21,000. Some 130,193 persons over and above departures came in from Mexico and Canada, nearly two-thirds of the total net inflow of aliens. Of course, in view of these facts and figures, the evident desire of organized American labor to find a way to curtail the flow of workers from Mexico is clearly explicable....These workmen are without high standards of living, just as many of the 'meaner peoples' of Europe, and if they become numerous enough could without much doubt become, if indeed they have not on occasion already become, a thorn in the side of union officials."

Irish Farm Conferences

An editorial in The Farmers' Gazette (Dublin) for August 25 says: "It is good for farmers to hold counsel together. The discussions which have taken place during the past week between delegates from Farmers' unions established in widely sundered counties point to a degree of unanimity that augurs well. The recommendations made regarding the cultivation and the marketing of the three chief cereal crops may not commend themselves to the powers that be, but they, at least, ventilate the grievance of corn growers, who, through foreign competition or other cause, are filched of the return to which their expense and trouble entitle them. At this stage we do not propose to say anything for or against the policy of subsidies, or a guaranteed minimum price for barley. Farmers in England, laboring under the same difficulties, are in equal perplexity as to the best means of getting a way out. It is enough that here in Ireland farmers are at last beginning to find themselves, and to realize that the industry by which they live needs safeguarding....Our position at the present is neither to commend nor object. The chief feature of congratulation is that the voice of the farmer is no longer inarticulate, and that the farming element more and more realize the claim they have to be considered, both in respect of shelter from outside competition, as well as from the pressing burden of internal taxation."

South African Cotton

The South African Cotton Growers' Journal for August says: "It is but fitting in an annual number such as this that reference be made to the importance of the development of cotton growing within the Empire, of which South Africa is a component part, and as is also Rhodesia. This, in fact, should be a slogan--'Cotton growing within the Empire'--which should be used by every lover of this country. The reason is obvious. As inter-trade relations develop between the various countries of the Empire, there forms that band which none can sever....Financial assistance is ready for this country; of that we know. Encouragement has been given both by the Empire Cotton Growing Corporation and the British Cotton Growing Association. All the Departments of the Home Government concerned with South Africa and Rhodesia have lent their aid, and we are assured of further support."

Section 4

Department of Agriculture

1 The Manchester Guardian, in its annual review of the American cotton situation, discusses the work of the private experts in estimating the crops. "Its conclusion regarding the work of these private experts is that, "in view of the erratic performance of the United States Department of Agriculture in showing crop progress and in estimating yield, the private reporting agencies would render the trade more valuable service if they had laid more emphasis on reflecting conditions actually prevailing than on trying to foreshadow the official returns. There is not the slightest doubt that the trade as a whole would be infinitely better off if the private reporting agencies reduced their activities by at least 50 per cent.'"

2 The Sioux City Live Stock Record for September 5 says: "It has come to the point where the country is beginning to wonder whether the United States Department of Agriculture was created to encourage or discourage the production of crops and livestock. Certainly most of the recent bulletins given out by the department have been construed as warnings to farmers not to grow so much corn and wheat, so many sheep and hogs, says the Omaha Journal-Stockman. In its September report, for instance, the

department warns the country that 'prevailing high prices for crops and livestock may take a sharp reduction if too rapid expansion in production takes place' and farmers as well as livestock producers are solemnly assured by the department that 'the present bonanza of high prices is due solely to poor yields and not to increased demands.' Fortunately farmers and stock growers pay little or no attention to the sage advice handed out to them. If they did, the confusion in the country, the demoralization of markets and the uncertainty of values would be simply intolerable....."

Section 4
MARKET QUOTATIONS

Farm Products

Sept.9: Closing prices on 92 score butter: New York 47¢; Chicago 45¢; Philadelphia 48¢; Boston 46 1/2¢.

Little change in prices was noted in the apple markets during the week. Jobbing range on Eastern wealthys was around $1 to $1.50 per bushel basket, with f.o.b. trading at $1 in Rochester. Sweet potato prices was downward. Yellow varieties from the East Shore of Virginia ranged mostly $4 to $4.75 per barrel in city markets, top of $5 in Cincinnati; $3.50 to $3.75 f.o.b. Onions held about steady, yellows from leading sections jobbing at $2 to $2.75 per 100 pound sack. Potatoes unsettled. Northern sacked Round Whites sold on the Chicago carlot market at $1.85 to $2 per 100 pounds. Maine Irish Cobblers ranged $2.15 to $2.40 in the East with Long Island Green Mountains at $2.35 to $2.50. New York and Delaware Concord grapes held steady at 75¢ to $1 per 12-quart basket in eastern cities.

Chicago hog prices closed at $13.10 for the top and $10.90 to $12.90 for the bulk. Medium and good beef steers $7 to $14.50; butcher cows and heifers steady at $3.60 to $12.50; feeder steers $6.50 to $8.75; light and medium weight veal calves $10.50 to $13.50; fat lambs $14 to $16; feeding lambs $14 to $15.85; yearlings $9.75 to $12.75 and fat ewes $4.50 to $8.25.

Grain prices quoted September 9: No.1 dark northern Minneapolis $1.53 to $1.70 1/2. No.2 red winter St.Louis $1.73 to $1.76; Kansas City $1.71. No.2 hard winter St. Louis $1.60 1/2 to $1.61; Kansas City $1.61 to $1.64. No.2 mixed corn Chicago 98 to 98 3/4¢; St. Louis 97 1/2¢; Kansas City 93 1/2 to 94¢. No.2 yellow corn Chicago 98 1/2 to 99 1/4¢; St. Louis $1; Kansas City 99 1/2¢. No.3 yellow corn Chicago 97 to 98¢; Minneapolis 94 1/4 to 94 3/4¢; No.2 white corn St. Louis 98¢; Kansas City 94¢. No.3 white oats Chicago 40¢ to 40 1/4¢; Minneapolis 37 3/8¢ to 37 7/8¢; St. Louis 41 1/4¢; No.2 white oats Kansas City 42 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 35 points, closing at 22.93¢ per lb. New York October future contracts advanced 31 points, closing at 23.30¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 9,	Sept. 8,	Sept. 9, 1924
20 Industrials	142.40	140.86	101.98
20 R.R. stocks	102.75	101.58	89.89

(Wall St. Jour., Sept. 9.)

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